

Effects of Education Equity Policy on Housing Prices: Evidence from Simultaneous Admission to Public and Private Schools Policy in Shanghai

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Abstract : China's school district education policy has encouraged parents to purchase properties in school districts with high-quality education resources. Shanghai has implemented "Simultaneous Admission to Public and Private Schools" (SAPPS) since 2018, which has covered all nine-year compulsory education by 2020. This study examines the impact of SAPPS on the housing market, specifically the premium effect of houses located in dual-school districts. Based on the Hedonic Pricing Model and the Signaling Theory, data is collected from 585 second-hand house transactions in Pudong New Area, Shanghai, and it is analyzed with the Difference-in-Differences (DID) model. The results indicate that the implementation of SAPPS has exacerbated the premium of dual school district housing and weakened the effect of the policy to a certain degree. To ensure equal access to education for all students, the government should work both on the supply and demand sides of the education resource equation.

Keywords : simultaneous admission to public and private schools, housing prices, education policy, education equity

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