

Better Students, Better Grades?

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Abstract

The 1997 Ontario Secondary School reform created a double cohort of secondary school graduates, drastically increasing the number of university applicants in September 2003; and given the limited number of places available in universities, the quality of accepted students was significantly higher in that year than in previous years. If university grades signal students' understanding of the material taught in class, university grades should have been higher in 2003 than in years when competition was less intense, thereby reflecting the increase in student quality. In contrast, if grades only signal relative performance (e.g. grading on a bell curve), then higher student quality would not necessarily translate into better grades. In this case, entering university in a 'competitive' year could adversely affect a student's grades, regardless of the student's understanding of the material taught in class. Comparing university grades from 2001 and 2003, I find that students were awarded lower grades in 2003 controlling for ability, indicating that students in the double cohort suffered from increased competition at the university level. When comparing the magnitude of this effect to the value-added of Grade 13 found in Morin (2007), the negative impact of increased competition on grades could be as important, if not more important, than the effect of having one less year of schooling. Whether or not the adverse effects of competition on grades for double cohort students will translate into monetary costs will be worth examining once these students enter the labour market.