

REAL TIME ECONOMICS | INEQUALITY

Paid Interns Get More Job Offers, Higher Salaries Than Unpaid Peers

New data reinforces the notion that internships contribute to a widening income inequality gap



Two interns run with a newly released Supreme Court ruling in June in Washington, D.C. A new study finds paid interns get more job offers than their unpaid peers. *PHOTO: MARK WILSON/GETTY IMAGES*



By

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Those unpaid internships may perk up your resume, but they don't do much to boost your job prospects.

A new survey shows that paid interns are far more likely to land a job offer after graduation than their unpaid peers. They're also more likely to make a lot more money.

Paid interns at private, for-profit companies had a 72% chance of getting a job offer, compared with just 44% of unpaid interns, according to a survey of students from the

graduating class of 2015 by the **National Association of Colleges and Employers**.

The gap was widest at for-profit companies, but the trend remained true in non-profit, federal, local and state government jobs.

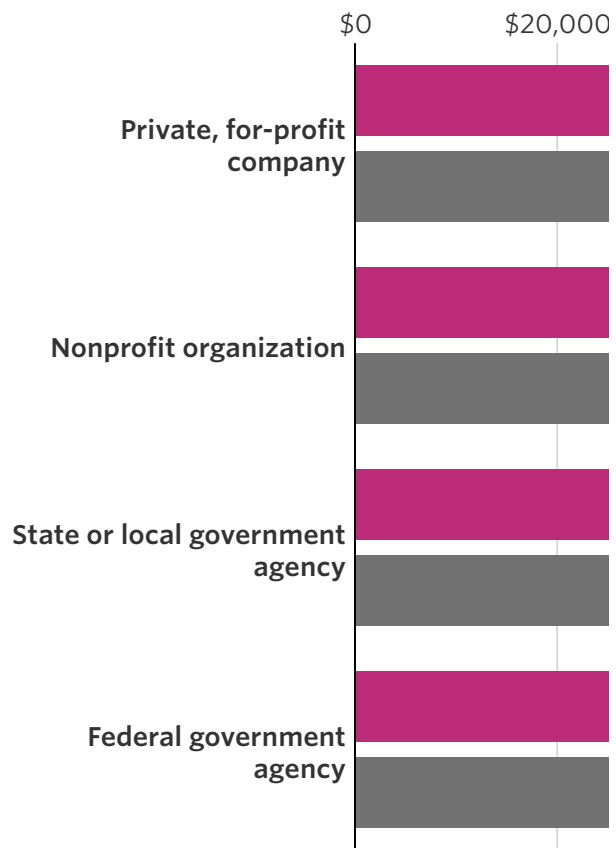
Those who fared worst were unpaid interns at state or federal government agencies, who had only a 34% chance of getting a job offer. That was 10 percentage points less than those with no internship experience, who had a 37% chance of getting a job offer.



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Unpaid Interns Get Offered Less Money

Starting salary offers, by type of intern:



Note: Survey conducted between Feb. 11 and April 30, 2015.
Source: National Association of Colleges and Employers
THE WALL STREET JOURNAL

The NACE survey also found that paid interns at private, for-profit companies received a median starting salary offer of \$53,521, over \$19,000 more than their unpaid peers at similar companies.

The lowest median salary offers were made to unpaid interns at nonprofit organizations, coming in at \$31,443. Such interns may be better off taking no post at all. According to the survey, students who took no internships received a median salary offer of \$38,572.

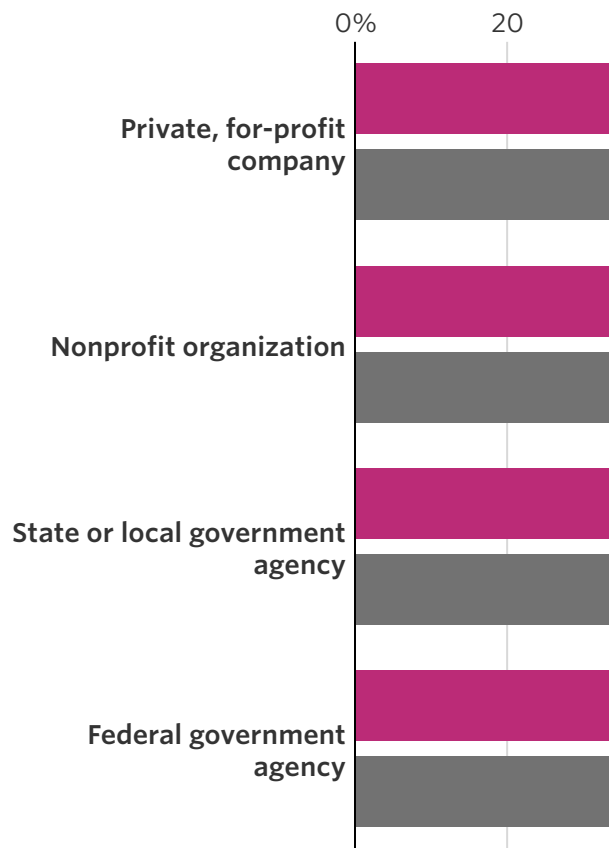
With the summer internship season running in high gear, the data reinforces the notion that internships contribute to a widening income inequality gap. Financially well-off students with good networks in place often have an easier time scoring paid internships than students from lower-income backgrounds, whose parents and friends may not have similar connections to help them land paid summer gigs.

Darren Walker, president of the **Ford Foundation**, argued Tuesday in an op-ed in **The New York Times**, that “America’s current internship system, in which contacts and money matter more than talent, contributes to an economy in which access and opportunity go to the people who already have the most of both.”

“We often hear that success is ‘all about the people you know’ — as if it’s just a matter of equal-opportunity relationship building,” he wrote. “We rarely talk about *how* one knows them, or about the privilege that has become a prerequisite to knowing the right

Unpaid Interns Get Fewer Offers

Job offer rates, by type of internship/college



Note: Survey conducted between Feb. 11 and April 30, 2014.
Source: National Association of Colleges and Employers
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people.”

There’s been a greater push in recent years to pay interns, but the rise in unpaid internships could help them stand up a network of potential employers. Unpaid internships may have previously been ruled out, since such students don’t have the financial option to forgo a job.



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