



Hollywood Shines Light On Pay Disparity Issues

Insights

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Oh, Hollywood. Reports emanating from the center of the U.S. film industry have put a spotlight (see what I did there?) on sexual harassment for several months. But the recent revelations regarding the pay disparities between Mark Wahlberg and Michelle Williams demonstrate that harassment is not the only thing employers should be re-evaluating in light of these blockbuster (did it again!) revelations.

It was reported that while working on reshoots for the film, “All the Money in the World,” Michelle Williams earned 1500 times less than Mark Wahlberg. She was paid less than \$1,000 (approximately \$80/day in per diem) compared to his \$1.5 Million fee. The outcry was swift and soon resulted in Wahlberg donating his \$1.5 Million to the #TimesUp movement. While reports continue to emerge as to “how” the disparity occurred, this star-studded story provides some key takeaways for employers.

Know What “The Other Guys” Are Doing

First, it’s important to know what “The Other Guys” are doing. Reportedly, Wahlberg and Williams belong to the same talent agency, but their contracts were negotiated by different agents. This is not dissimilar from some work environments where the right hand doesn’t always know what the left hand is doing. Often, employees are hired by different managers or in different departments, which can result in variances in pay rates when subjective factors are considered. Unbeknownst to the company, a pay disparity issue could be created in these situations. You can avoid this by being consistent when making salary determinations, being transparent in the hiring process across all departments, and conducting pay audits on the company as a whole to determine if there are any inadvertent pay disparity issues.

The “Land-of-Plenty” Reasons Behind Pay Disparities

The second lesson to be learned relates to the impact of systemic, non-business related factors on pay disparity. It has been noted that Williams volunteered to do the reshoots for free or close to free, while Wahlberg’s agents pushed hard and negotiated for his \$1.5 million fee. Studies have shown that women may be less likely to ask for raises or push wage gap issues, which can lead to pay disparities. That is not to say that Michelle Williams was “afraid” to ask for more money—indeed she has said she was happy to do the reshoots since the reason behind them was so important to her (discussed more fully below)—but it is an example of a man pushing for more pay in a situation where a woman did not. Regardless of whether this was actually the case, is important for you to be

aware of some of the institutionalized aspects of pay disparity issues and have a plan to address them in your processes.

HR Issues Are The Ultimate “Transformers”

This story also demonstrates how one HR issue may often reveal or create other HR issues. The whole reason reshoots were even necessary was due to the replacement of Kevin Spacey in light of the sexual assault allegations raised against him. What started as a corrective action of sorts for the sexual assault allegations also highlighted a pay disparity issue for the film. Often, investigating issues can uncover more issues. You would do well to make sure, as you review and evaluate issues, that you are prepared when you find other issues, and then address and promptly correct them.

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