

## Business Conversation 17: Decreasing a Salary

### Practice 1 | Useful Expressions

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**Directions:** Listen and repeat.

- **accounting team** – a team of workers responsible for counting loss or profit as well as maintaining all other money-related documents
- **break-even** – to go out of a loss in a company; to not earn, nor to lose money
- **contract** – a specific document stating rules and conditions of working, paying salary, etc.
- **signature** – a unique way to confirm a document by leaving a person's name or name-related symbols written by hand
- **lay off** – to fire an employee
- **be / go in the red** – being in debt rather than making profit in a company
- **get on track** – to get in the position of a past, usually a satisfying one
- **break the news** – to tell some important news, usually bad news
- **tighten one's belt** – to reduce the money spent on something due to tight budget
- **approximately** – when talking about numbers usually used to describe not the exact number but something that is more or less true; usually used if the exact number is not known
- **gradually** – little by little, decreasing or increasing in small units
- **having something done** – an expression used to tell that something was done not by a person himself/herself, but circumstances or by people of other professions (*e.g. I am having my car fixed, they are having their salaries reduced*)

## Practice 2 | Dialogue

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**Directions:** Read the dialogue aloud with your teacher.

*Mr. Edwards is about to reduce his employee's wage.*

**Mr. Edwards** : Thank you for coming to talk with me today, Mr. Smith.

**Employee** : Hello Mr. Edwards. I'm very busy today with all sorts of tasks. I have to sort out the minutes from the last month up until now, as well as to classify some forms. However, I could use a break. What can I do for you?

**Mr. Edwards** : I have to **break some news** to you. Could you sit down?

**Employee** : Yes. Please tell me what is wrong and how I can improve the situation.

**Mr. Edwards** : Well, the truth is our company has been **going in the red** these few months. Therefore, we had to decide how to **tighten our belts**. A lot of money is going to pay our destined salaries. We would appreciate it if there was no need to **lay off** our valued workers, so yesterday in a meeting with the **accounting team** we decided on reducing the salaries. I know this is not the best news, but as soon as we **break even** we will also **get** your salaries **on track**.

**Employee** : What percentage will the salaries be reduced by?

**Mr. Edwards** : About 15% off. I apologize sincerely for such circumstances, but you always have your right to leave the company if this result does not satisfy you, since reducing salaries requires rewriting **contracts**, that is, firing and hiring the same employee under different circumstances. We will surely need your **signature** under a new contract for it to work legally.

**Employee** : **Approximately** how much are you planning to reduce our salaries? Will they be reduced even more, **gradually**?

**Mr. Edwards** : I think 15% is our limit. We can't let our valued workers down. I shall also say that the Board of Directors and other units are also having their salaries reduced. I think it might take up to four months.

**Employee** : I am willing to stay if the conditions stated are fulfilled. I would also require working one hour less, since my salary is going down and I might as well take some part time work to get additional money.

**Mr. Edwards** : It is a deal then. The idea of reducing the workflow by one hour is a very good one, thank you. I will also suggest it to other workers.

**Check your understanding:** Answer the following questions.

1. Why did Mr. Edwards summon his employee?
2. Why are they reducing salaries?
3. What conditions did they agree upon?

## Practice 3 | Role-Play

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**Directions:** Have a role-play with your teacher in the following situation.

### Situation

You are the director of a big company that has been going in the red for a while already. You need to decrease the loss of the company's budget. Therefore, you decided to reduce salaries for some workers. Your teacher will be a worker in your company. Afterwards, exchange the roles.

### Expressions:

- to tighten one's belt
- lay off
- break even
- get on track
- gradually
- have something done

## Practice 4 | Discussion

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**Directions:** Discuss these topics and exchange thoughts with your teacher.

1. How would you react if you were to have your salary cut?
2. Do you think it is important to remain loyal to the company even during the tough times?
3. What are the possible reasons to reduce one's salary? Do you justify them?
4. What other methods could be used to break even if not reducing salaries?
5. In your opinion for whom the reducing of salaries is more unpleasant: for an employer or for an employee? Why?