**Unit 6 : Money and income**

« Don't think money does everything or you are going

to end up doing everything for money. »
 Voltaire, French writer, 1694-1778



 The money used in a country is its currency. Money in notes and coins is called Cash. Most money, however, consists of bank deposits, money that people and companies have in their accounts. As payments and transactions are done by means like cheque or credit cards, there is only about 4 per cent of money existing in the form of cash in European Union. In other country like Tunisia, this percentage do not exceed 12 per cent. In Algeria, however, it's about 25 per cent.

Income is all the money a person receives or earns and it can include :

* **A salary** : money paid monthly by an employer, if it's paid by the day or by the hours, it's called **wages** and usually received weekly.
* **Overtime**, money received for working extra hours.
* **Commission** : money paid to salespeople or agents and it corresponds to a certain percentage of personal incomes.
* **A bonus** : extra money given for meeting a target or for good financial results.
* **Fees** : money paid to professional people such as lawyers or architects.
* **Social security :** money paid by government to unemployed or sick people.
* **Pension** : money paid by a company or the government to retired people.

Salaries and wages are often paid after some deductions such as social security charges and pensions contributions. Amount of money that people have to spend regularly are called outgoings. These often include :

* **Living expenses :** money spent on everyday needs such as foods, clothes and public transport.
* **Bills** : requests for the payment of money owed for services such as electricity, gas and telephone connections.
* **Rent** : the money paid for the use of a house or a flat.
* **A mortgage :** repayment of money borrowed from the bank to pay a house or a flat.
* **Health insurance :** financial protection against medical expenses for sickness or accidental injuries.
* **Taxes** : money paid to finance government spending.

**Comprehension** :

* What is the difference between salary and wage ?
* When can someone expect to earn overtime ?
* What is the difference between social security charges and health insurance ?

**Vocabulary** :

Exercise 1 : Fill in the gaps with the appropriate words : Commission - earn- currency -salary- bonus- mortgage- pension-taxes-overtime- rent – social security.

* After I lost my job, I was living on ………………………………for three months. It was very difficult because the amount was much lower than the…………………..I had before.
* I used to work as a salesman but I wasn't very successful, so I didn't…………………………..much………………………
* If the company makes 10 % more than last year, we all get a ………………………. At the end of the year.
* It will take me at least 25 years to repay the…………………on my house.
* Many European countries now have the same………………….., the euro.
* My wages aren't very good so I do a lot of……………………
* Nearly 40 % of everything I earn go to the government as………………….
* The owener has just increased the………………. On our flat by 15 %.
* When I retire, my……………………..will be 60 % of my final salary.

**Grammar :** *Relative/Indefinite pronouns.*

***Relative pronouns*** relate group of words to nouns or other pronouns.

**That** and **which** can only refer to things

I like the song that you wrote.

The room has a large window. That makes it very enlightened.

It is the large window, which makes the room enlightened.

My new books, which have black covers, are on the desk.

She likes that new restaurant which is located downtown.

**who** and **whom** can only refer to people.

Who is used as a subject of the sentence, whom is always the object of a verb or a prepositional phrase.

The secretary gave three boxes to the mailman *who* entered the office.

He’s the man *whom* I met yesterday.

***Indefinite pronouns*** function as nouns but they do not replace it. They are **everybody** and **some**.

*Everybody* admires his speech.

Any word with every (everyone, everything….) is singular, not plural. Therefore it needs singular pronouns, not plural.

Everybody needs to be on time in **his** office (it's not correct to use their instead of his)