



Italy. Inflation Rate Highest in 5 yrs

(February 23, 2008)



Italian inflation sparked fresh alarm Friday after supermarket, fuel, bar and restaurant prices showed a 4.8% annual rise in February - their highest leap in 11 years.

The inflation rate of these high-frequency buys has been "systematically higher" than the overall rate since 2002, national statistics bureau Istat said.

"This is very worrying," commented CISL union leader Raffaele Bonanni.

"Families are in real difficulty, the situation is disgraceful".



"We need data that actually correspond to household spending if we are to press proper wage claims," said Bonanni whose CISL, along with the other two major union federations CGIL and UIL, has threatened a general strike unless a new incomes policy is launched.

Bonanni's call was echoed by that of consumer protection associations who have for years been claiming that official inflation rates have not reflected real price hikes.

Codacons, one of the main consumer-protection lobbies, said the "admission" that the cost of everyday purchases rose much more sharply than the overall inflation rate was "a small step towards the truth".

However, it claimed that "the 4.8% rate is still under-estimated and a long way from the reality of everyday hikes that are hitting Italian consumers".

"The hikes, unless they are turned around, will produce a rise in spending of about 1,000 euros per household, since people can't give up food, transport, fuel or housing". The overall inflation rate in January was 2.9%, up from 2.6% in December and its highest in five years.

Bread was 12.3% dearer than February, pasta 10% up, milk 8.7% dearer and meat 3.6% up.

Unleaded petrol was 12.5% more expensive than February 2007 and diesel 15.7% dearer. Heating fuel was 16% up.

Housing, water and electricity prices were 4% up and transport costs 5.4% up.

Only medicine and phone costs were lower, by 3.9% and 12.4%.

(ANSA News)

Source URL: <http://iitaly.org/magazine/focus/facts-stories/article/italy-inflation-rate-highest-in-5-yrs>

Links

[1] <http://iitaly.org/files/euro1203831867.jpg>