

Crisis-hit Italians face big expense rises: reports

ROME, Dec. 27 (Xinhua) -- Italian consumer groups Adusbef and Federconsumatori said on Thursday that families will spend an extra 1,490 euros (around 1,976 U.S. dollars) each in 2013 due to a series of tax hikes introduced by the Mario Monti's government.

According to a statement released by the two associations, the price increases in food, train tickets, car insurance, household bills, stamp duties and postal and banking charges, tolls, waste-disposal levies and the new IMU property tax will be "unsustainable" for the households already struggling to make ends meet in the recession-hit country.

The watchwords to revive the fortunes of the Italian economy should be "recovery in demand, liberalizations, investments in innovation and technological development and, above all, in labor that remains the fundamental problem of the country," it said.

"But in the absence of a serious project going in this direction, the exit from the crisis will be more and more distant and unlikely," the statement added.

Further negative indicators were released by national statistics institute Istat, which said the business confidence index fell to 75.4 in December from 76.5 in November, the lowest figure since 2006.

Meanwhile, a report by leading business association Confindustria highlighted that the gross domestic product (GDP) in southern Italy has dropped by 6.8 percent, or almost 24 billion euros (31 billion U.S. dollars,) between 2007 and 2011.

In four years, more than 16,000 companies were forced to close in the historically poor region, with a loss of around 330,000 job places, the report added.

Economists said that the austerity drive carried out by the Monti caretaker government has deepened the recession in the eurozone's third largest economy.

The 13-month emergency cabinet of technocrats, which resigned Saturday paving the way for early elections on Feb. 24-25, has introduced a series of tax hikes and welfare cuts to tackle Italy's debt crisis.

On Thursday, the spread between Italian and German 10-year bonds, considered a barometer of international markets' confidence, edged down to 315 points after two good auctions of short-term government paper.