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FOOD PRICE POVERTY FEARS



Global prices for basic food essentials have gone up 3.4 per cent in a month

RECORD food prices and soaring petrol costs could spell poverty for even middle-class Britons, experts warn.

Global prices for basic food essentials have gone up 3.4 per cent in a month, yesterday's United Nations Food and Agricultural Organisation price index showed. Dairy products were the worst hit with prices soaring 6.2 per cent.

Recent extreme weather like floods in Australia, severe winter storms in the US and flooding in Malaysia have hit key crops and could push the cost of food even higher. Meanwhile, Office for National Statistics figures showed that rising fuel prices mean 13 per cent of an average UK household's spending is now going on filling up the car.

Economist Jonathan Davis of finance advisers Jonathan Davis Wealth Management said: "We have higher consumer prices coupled with falling wages and higher tax. We will see a huge rise in poverty in the UK. Whole swathes of the middle class will be wiped out."