

Flour Shortage Hurting Venezuelan Bakeries

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CARACAS, Venezuela (AP) — Venezuelans have been coping with sporadic shortages of foods ranging from cooking oil to sugar, and lately a dearth of flour is preventing some bakeries from making bread.

Marco Freitas, a manager of a Caracas bakery, is selling mainly cold cuts and dry pasta now that his bread shelves are nearly empty. Freitas said he hasn't been able to get enough flour lately.

The shortage of imported wheat flour stems from problems including bottlenecks in seaports, a labor conflict at one processing company and a shortage of dollars allotted to importers by the government.

"We make what bread we can and sell it little-by-little," said Freitas, who said his bakery hasn't had such trouble finding flour in more than a decade.

The government's announcement on Monday that the state oil company will turn over more of its earnings in dollars to the Central Bank is expected to make a dent in such shortages, but not completely end them.

Oil Minister Rafael Ramirez said that state-run Petroleos de Venezuela SA plans to increase by nearly \$2.5 billion the amount of dollars it turns over to the Central Bank this year. He said the government has sufficient funds to meet the economy's needs for dollars.

The country's federation of bakeries, however, said in a statement on Tuesday that those measures aren't sufficient and that some bakeries have temporarily shut down due to the flour shortage.

Sporadic shortages of some basic foods such as sugar and cornmeal have worsened recently while the government has been making available fewer dollars at the fixed exchange rate. Since November, the government has scaled back the amount of dollars it has been providing through its currency agency to businesses and individuals.

Business leaders have said that the insufficient amounts of dollars provided to businesses have worsened shortages of some imported foods and other products.

"I will keep trying to survive," said Freitas, who said his bakery is losing money lately.

The usual shipments of flour from a supplier have dwindled, and a local market will sell only two sacks of flour per customer, Freitas said.

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He said the situation had worsened during December and January, and "now it's serious."

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