

More than 40,000 construction jobs lost in a week

More than 40,000 constructions workers were laid off in Greece last week, with people now fearing the country could implode.

Caroline Crawford in Athens – 09 July 2015

With growing anxiety in the country as to when banks will re-open, the latest casualties of the economic crisis are those tens of thousands of people who had previously managed to hold onto their jobs despite years of cutbacks.

Sate, the Association of Greek Contracting Companies, said it estimated that 90pc of all projects in the country had stalled due to last week's introduction of capital controls.

The general secretary of Sate, Dimitrios Constantinidis (inset), said the situation was dire, with the entire industry now seized up. The only construction taking place in the country in recent months had been public builds funded by the EU, but even those had halted in the past 10 days.

The industry directly employs almost 150,000 workers. However, last week just over a quarter of them were laid off as there was no longer any way to pay them, according to Sate.

"Things have been very difficult, but last week it became more so. No money was left, the banks were not able to provide financing and our suppliers outside the country could not be paid and so we could not have anything imported. Everybody lost hope in a deal from this government," he said.

"Only the construction projects that cannot stop remain.

"We believe 90pc have stopped and last week we estimate 40,000 workers were terminated. The other workers have been given a leave of absence," he added.

Mr Constantinidis is a civil engineer involved in the vital waste water treatment plant in Thessalonika.

"The project cannot stop, even with no pay. For many projects there are safety issues if they closed. And so we must continue. First we will die, then we will stop," he said.

Returned

While many of the newly laid-off workers have returned to their home towns, others have made for Athens. But there they are meeting colleagues who have been struggling for years to find employment.

Nikos Polonos (55) lost his job as a construction worker three years ago.

"I never believed I would end up like this, but my construction skills are not in demand now. I know a lot of colleagues who are looking for work, but there is no hope," he added.