

Brief Report

The Impact of Storm Daniel and Storm Elias on Thessaly's Labour Market. Revisiting the Employment Trends Three Years Later

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Building on our [report](#) from September 2023 on the impact of Storms Daniel and Elias on the labour market of Thessaly, which was created in the context of the [e-ResLab Aegean project](#), and generated forecasts of regional employment changes, this brief report examines the actual employment change recorded in the primary (agriculture) and secondary (manufacturing) sectors, drawing on the latest Labour Force Survey data published recently by the Hellenic Statistical Authority (ELSTAT). The figures presented here were produced using the [Data and Graphs tool](#) developed by the e-ResLab Aegean project. The report begins with an overview of employment figures and a closer look at the two sectors under study, then juxtaposes our previous forecasting scenarios with the actual changes recorded and closes with some indicative policy recommendations.

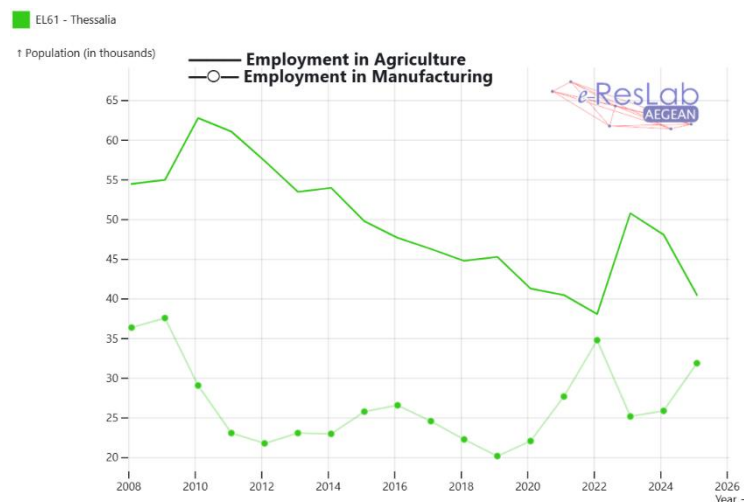
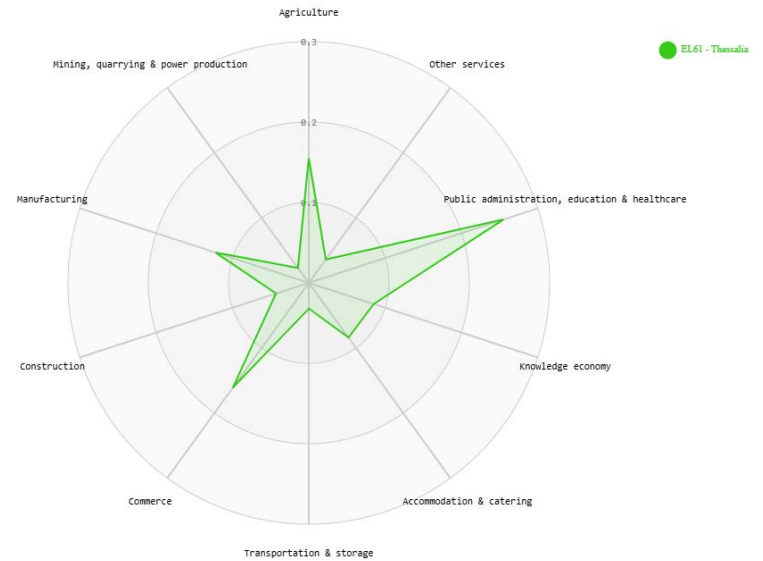
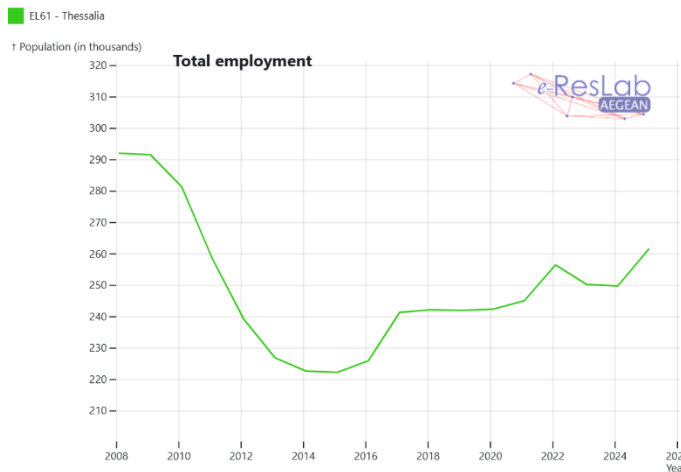
Despite exhibiting signs of recovery from the deep recession of the early 2010s, Thessaly was still below its pre-crisis numbers by 30,000 workers in 2025 (see Chart 1), making it one of the worst-performing regions in the country, alongside Western Macedonia. In practical terms, only 90 of every 100 jobs that existed before the crisis had recovered by 2025. In 2023, the year of the devastating storms, the region ranked third in the country in terms of employment volume, with 250,300 workers, trailing only Attica and Central Macedonia; by 2025, however, the region dropped one place. Thessaly generates 5.1% of Greece's GDP (€11.418 billion) with this contribution being especially prominent in agriculture and manufacturing, where it remains one of the country's leading regions. Indeed, agriculture in Thessaly generates nearly 14% of Greece's agricultural GVA, while manufacturing contributes almost 6.5% of the pertinent national GVA.¹

The above highlights Thessaly's significance as an agro-industrial hub, albeit the largest part of the local labour force is employed in commerce and the public sector (see Chart 2) and the most pronounced employment growth during 2008-2025 was recorded in public administration, education, and health services (2.19%). Even so, a balance can be observed between agriculture plus manufacturing (27.6% in 2025) on the one hand and public administration, education, and healthcare (25.5%) on the other. Overall, Thessaly's sectoral structure can still be considered as relatively balanced when compared to most other Greek regions, which rely heavily on specific sectors. For instance, South Aegean exhibits a much stronger dependence on accommodation and catering, making it exceptionally vulnerable to certain types of crises (e.g., health, geopolitical).

Looking more closely at agriculture, employment slightly exceeded 40,000 workers in 2025, with this mainly stemming from a sharp increase in the year to 2023 (50,829 workers). Overall, however, the sector has followed a long-term downward trend since the early 2010s (see Chart 3). Manufacturing has followed a different course, exhibiting decline from 2023 (25,248 workers) to 2025 (32,000). Given the strong connections between the two sectors, their diverging

¹ <https://www.statistics.gr/el/statistics/-/publication/SEL48/->

trends post-2022 likely reflect disruptions within Thessaly's agri-food economy, referring to reduced processing activity and the (temporary) loss of production capacity experienced by many firms after the floods.



Immediately after Storm Daniel and Storm Elias in late 2023, we presented three alternative forecasting scenarios. In those, we predicted employment losses from 5,900 to 17,700 jobs in both sectors until 2025. These projections assumed that agriculture functions as the region's key economic driver, influencing manufacturing employment positively during expansion and negatively during downturns. Three years later, and after a series of support measures from the Ministry of Labour², the EU Solidarity Fund³ and other mechanisms, the floods have left a lasting mark on manufacturing facilities and agricultural production, as well as on employment numbers. By 2025, total employment in both sectors is below 2022 levels, especially in agricultural production.

² <https://ypergasias.gov.gr/anastoli-symvaseon-ergasias-ergazomenon-epicheiriseon-pou-epligisan-apo-tis-plimmyres/>

³ https://ec.europa.eu/regional_policy/whats-new/newsroom/23-01-2024-commission-adopts-decision-to-support-greece-with-eur-25-million-as-an-advance-from-the-eu-solidarity-fund_en

Sector	Conservative forecast (10%)	Worst-case forecast (30%)	Actual change (2023-2025)
Agriculture and livestock	-3,800	-11,400	-10,300
Manufacturing*	-2,100	-6,300	+6,600
Total	-5,900	-17,700	-3,700
(*): job losses in industry were estimated at 55% of rural employment losses based on local multipliers			

Table 1: Table of employment loss forecast scenarios and actual losses in Agriculture and Manufacturing, Thessaly, 2023-2025.

A closer look reveals that agriculture's losses (10,300 workers) correspond closely to the severe scenario we provided. However, instead of losses, manufacturing recorded an expansion of 6,600 workers. Combined, these results lead to two key conclusions. First, the severity of the flood and the shortcomings in the implementation of support measures have greatly impacted agricultural production, as well as the economies of scale that had developed around it, as evident in the region's capital, Larisa.⁴

Second, Thessaly's manufacturing sector demonstrated an adaptive form of resilience and recovery after 2023, which is likely due to the use of imported raw materials and inputs rather than local ones, as well as the presence of manufacturing facilities that are not directly linked to the agri-food chain and are therefore unaffected by it.

During the post-flood period, additional challenges emerged, as reports⁵ indicate that some beneficiaries of government compensation schemes were asked to return financial aid because they could not provide sufficient evidence of their losses, e.g. regarding livestock deaths. At the same time, many of the beneficiaries were expecting additional funding from the Payment and Control Agency for Guidance and Guarantee Community Aid, however, due to a recent corruption scandal, much of these funds were never received. Finally, rising production costs, low product prices, and delays in the distribution of European funds further increased pressure on farmers, leading to prolonged protests across the country⁶. Overall, it becomes evident that a natural disaster, combined with inadequate policy responses, can bring much more than just natural and economic destruction.⁷

Our findings above underscore the need for policies that ensure Thessaly's long-term recovery and the sustainability of the region's core sectors. We argue here that stemming from imported produce, the resilience of the agri-food industry noted above cannot support a sustainable recovery. Therefore, compensation and support payments should be prioritized, alongside investments in climate-resilient agricultural and manufacturing infrastructure. At the same time, targeted measures are needed to encourage workers to remain in these sectors by creating stable jobs, improving working conditions, and supporting business growth. Finally, strengthening the connections between primary production and local manufacturing could help retain employment, increase productivity, and improve the region's resilience against future crises.

You can discover more about the e-ResLab Aegean observatory at <https://reslab.aegean.gr>. Also feel free to get in touch with us, by following the project's pages on [Facebook](#) and [Twitter](#) and sending an email to labourgeolab@gmail.com.

⁴ <https://www.kathimerini.gr/society/reportaz/563961055/larisa-meta-ton-daniel-den-echei-synelthei-oyte-i-poli/>

⁵ <https://www.theguardian.com/commentisfree/2025/sep/05/greek-farming-political-elite-eu-subsidy-scandal-greece>

⁶ <https://apnews.com/article/greece-farmers-protests-subsidies-f0010fa1e45aadffdde51743bdd62005>

⁷ Isaac Kwesi. Noon, Linda Sarpong, Naomi Kumi, Nana Agyemang Prempeh, Samuel Koranteng Fianko, Zhongfang Jin, Human impacts of flood disasters: A global systematic review (1980–2025), H2Open Journal, Volume 9, Issue 3, 2026, 100019, ISSN 2616-6518, <https://doi.org/10.1016/j.htopen.2026.100019>