

Germany: Accelerated job cuts in the auto and supplier industry

Peter Schwarz
15 May 2026

The attack on jobs in the German auto and supplier industry is accelerating. It goes hand in hand with the social cutbacks the government has introduced to citizens' income, healthcare and pensions, and with the squandering of vast sums on rearmament and war. Unless this trend is halted, disaster looms.

The German Association of the Automotive Industry (VDA) has increased its forecast for job cuts over the next ten years by 35,000. With 100,000 jobs already lost in the sector since 2019, the association had previously anticipated a further 90,000 job losses by 2035. It has now raised this figure to 125,000. VDA President Hildegard Müller cited a "serious and persistent crisis in the sector" as the reason.

However, even this figure is likely to be on the low side, as the VW Group alone has agreed with the works council and the IG Metall trade union to cut 50,000 jobs. At the same time, the number of insolvencies and plant closures in the supplier industry is skyrocketing. The national media barely reports on this development, seeking to prevent cross-company solidarity and the emergence of militant resistance to redundancies. One has to scour the regional newspapers to find such reports.

But the situation is devastating. The loss of thousands of jobs has been announced or confirmed since the start of this month alone, that is, in the last two weeks. Many are in smaller towns where there are hardly any alternative jobs.

Here is a (by no means) exhaustive list:

- The automotive supplier Mahle is closing its plant in Neustadt (Bavaria) for good. Around 350 jobs are affected. Production will be phased out gradually and cease in the first half of 2027.

- The auto supplier Preh is cutting a further 280 jobs at its headquarters in Bad Neustadt an der Saale (Bavaria), having already made 420 redundancies last year. Founded in 1919, the company has been part of the China-based Joyson Group since 2011 and employs 6,000 people worldwide.

- The insolvent auto supplier Boryszew Kunststofftechnik is closing its plants in Gardelegen (Saxony-Anhalt), which employs 330 people, and Idar-Oberstein (Rhineland-

Palatinate), which employs 100, by the end of the year, after failing to find a new investor despite a year-long search.

- TE Connectivity will gradually phase out production at its Speyer site (Rhineland-Palatinate) by December 2028; around 630 employees are affected. The Irish group, which develops connectivity and sensor solutions for the transmission of power, signals and data in the auto and other industries, employs 90,000 people worldwide.

- Three weeks earlier, filter manufacturer Mann+Hummel had already announced the closure of its plant in Speyer, which employs 600 people.

- Auto supplier Moldtecs, which was spun off from Mann+Hummel in 2022, has filed for insolvency. In Sonneberg (Thuringia), 330 jobs are affected. Another facility is located in Bad Harzburg (Lower Saxony).

- Sports car manufacturer Porsche is discontinuing its subsidiaries Cellforce Group in Kirchentellinsfurt (Baden-Württemberg), Porsche eBike Performance in Ottobrunn (Bavaria) and Cetitec in Pforzheim (Baden-Württemberg). In total, more than 500 jobs are affected. The companies had been founded to develop high-performance drive batteries for cars and bicycles, as well as software for the VW Group.

- The auto supplier Bayrak Technik in Rehburg-Loccum (Lower Saxony) has filed for insolvency for the fourth time in five years. Nearly three hundred employees fear for their jobs.

- The auto supplier IAV is withdrawing from Berlin and cutting a total of 1,400 jobs in Germany. Of the 1,250 jobs in Berlin, only a few are to remain and the company premises are being sold off. The developer of software, electronics and vehicle architectures employs 6,600 people worldwide across 25 sites.

- The Continental subsidiary ContiTech, which manufactures rubber and plastic products for the auto industry, has agreed with the IG BCE trade union to cut 1,600 of its total 7,700 jobs in Germany. The cuts are part of earlier plans to eliminate 3,000 of 20,000 jobs worldwide.

- The Volkswagen Group is considering – as the WSWs has reported – closing four plants in Emden, Zwickau,

Hanover and Neckarsulm, accounting for a total of 40,000 jobs. The company executive presented these proposals to the supervisory board at the end of April.

- As mentioned, this is only part of the job cuts that have come to light since the beginning of May. Nor are they limited to the auto and supplier industries; the chemical, pharmaceutical, steel, construction and other sectors are also affected.

For instance, the industrial plant manufacturer Festo, based in Esslingen, plans to cut around 1,300 of its 8,200 jobs. The long-established Augsburg-based strip steel manufacturer Eberle, with 250 employees, has filed for insolvency. The Mainz-based biopharmaceutical company BioNTech is halting coronavirus vaccine production in Germany, closing almost all its German production sites and cutting 1,860 jobs.

The reasons cited for the destruction of jobs are always the same: high labour costs, high taxes and levies, expensive energy, too many regulations and bureaucracy, Trump's punitive tariffs, competition from China, the switch to electric cars and the use of artificial intelligence.

The trade unions agree with the companies' arguments and support one round of cuts after another. They do not defend wages, working conditions and jobs, but instead help plan and organise the attacks while stifling any resistance. They justify these concessions by claiming this is the only way to maintain competitiveness and defend the company's local plant.

This is clearly nonsense. A policy based on saving individual plants does not save jobs; it destroys them. It pits the workers in one factory against those in all the others. It divides them by location and country, rather than uniting them. It is this very policy that enables the corporations to carry out their cutbacks in the first place.

Such a policy reflects the social position of the trade union bureaucrats and works council leaders, who often earn several times as much as an ordinary worker and are far closer to managers and shareholders than to those they supposedly represent. They swear by the German principle of "co-determination" and "social partnership", but jobs, incomes and social rights can only be defended through the methods of class struggle.

This is proven by the entire history of the labour movement and applies particularly to times of crisis such as the present.

Jobs are not being destroyed because Germany is uncompetitive compared to other countries, but because the capitalist profit system and the private property on which it is based are no longer compatible with the basic needs of the overwhelming majority of humanity.

Car workers in Italy, France, Eastern Europe, the United

States and numerous other countries face the same attacks as their colleagues in Germany, often from the very same corporations. Car workers in India and China, where sales are still growing, are brutally exploited. Every concession made by the trade unions in one country encourages the corporations to intensify their attacks worldwide.

Advances such as the international division of labour, the use of robots in production and artificial intelligence, which could enormously facilitate work and social life, are being used to increase the wealth of corporations, banks and billionaire oligarchs, while workers lose their jobs and education and healthcare and social systems are dismantled.

Trillions are being diverted to rearmament, waging wars and preparing for new ones. Just as was the case a hundred years ago, the struggle for raw materials, markets and world domination is again being waged militarily. US President Trump has shamelessly declared that the invasion of Venezuela and the war against Iran serve to seize their oil. German Chancellor Merz has admitted that Israel's Prime Minister Netanyahu is doing the "dirty work for us all" with the genocide of the Palestinians. The Bundeswehr is being built up into Europe's largest military force in order to wage war against Russia for a third time.

Jobs can only be defended with a perspective that declares war on this murderous social system. We propose the formation of action committees in which the membership is in charge and in which there is no place for trade union bureaucrats. They must proceed from the principle that workers' rights take precedence over profit interests and defend every job. They must build links with action committees in other factories and other countries and overcome the division of the working class. To this end, the Fourth International (ICFI) has launched the International Workers' Alliance of Rank-and-File Committees (IWA-RFC).

The struggle to defend jobs must be linked to the struggle against militarism and war and their root cause, capitalism. If there is one thing society can no longer afford, it is not, as Chancellor Merz claims, the welfare state, but the billionaire oligarchs, whose fortunes are beyond belief and must be expropriated.



To contact the WSWs and the Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)