

Friday, January 16th 2026

German Auto Industry Employment Plunges To 14-Year Low



Published on November 22, 2025

Document Date: Fri, Jan 16 2026 11:14:53 am

Category: ,English,International - ,Snippets

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Sources Xinhua

Berlin, Germany – Employment in Germany's automotive sector has fallen to a 14-year low, as an ongoing economic downturn continues to hit the country's manufacturing base, according to the Federal Statistical Office (Destatis).

Jobs in the auto industry declined by 48,700 compared with the same period last year, a 6.3 percent drop, marking the steepest reduction among major industrial branches with over 200,000 workers. The sector now employs 721,400 people, just above its lowest level since 2011.

The decline was particularly pronounced among suppliers. Vehicle and engine manufacturers, which make up around 60 percent of the workforce, reported a 3.8 percent year-on-year decrease in employment. Meanwhile, staffing at car parts suppliers fell sharply by 11.1 percent. Destatis noted that the broader manufacturing sector also reflects this weakness. Germany's industrial workforce totaled 5.43 million by the end of the third quarter, down 120,300 jobs, or 2.2 percent, from the previous year. Significant reductions were recorded in metal production and processing, as well as in the manufacturing of electronic and optical equipment.

Rising costs, weak domestic demand, and shortages of skilled workers have prompted many companies to relocate operations abroad. Between 2021 and 2023, around 1,300 German firms with at least 50 employees moved parts of their business overseas, resulting in a net loss of 50,800 jobs. Most cited lower labor costs and better access to skilled workers as key reasons for relocation, Destatis reported.

The latest figures underscore the mounting pressures on Europe's second-largest industrial sector, highlighting the challenges facing Germany's auto industry amid global competition and

economic uncertainty.