

Defence firms lure Germany's struggling autoworkers

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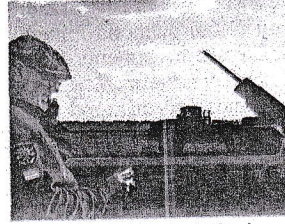
Germany's automakers are in crisis. Electrification and competition from China are booting thousands of highly skilled workers back onto the job market. Luckily, many are eyeing a sector that can't hire fast enough: defence.

Since Russia invaded Ukraine two years ago, arms manufacturers have experienced something of a reversal of fortune. Once associated with the likes of "sin industries" such as tobacco and gambling, these companies are now seen as

attractive potential employers - particularly if they're helping fight the war in Ukraine.

WARTIME CHALLENGES Hensoldt, which makes air defence sensors crucial to intercepting Russian missiles in Ukraine, has seen an influx of new employees, mainly engineers, coming from carmakers.

"We benefit from the problems in other industries when building up our workforce," said Thomas Mueller, former CEO, who was succeeded by Oliver Doerre in April. The company is planning to hire 700 new em-



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ployees across divisions this year. Part of the push to bring in more workers has to do with the massive challenges facing Ukraine. For

every artillery shell the country has left in stock, Russia has ten, according to Ukrainian President Volodymyr Zelenskiy. While companies are scaling up fast, the EU hasn't been able to produce weapons or ammunition quickly enough to meet wartime demand.

Rheinmetall, Germany's biggest arms maker, expects sales to top €10 billion this year, up from €7.2 billion in 2023. It plans to expand its annual production of artillery shells to 700,000 rounds by 2025, a tenfold increase compared to before the Russian invasion and has hired around 4,000 people globally

since the beginning of 2022.

Gearbox maker Renk has seen applications more than double since 2021 and those numbers are set to rise even further in 2024, says Chief Human Resources Officer Brigitte Schnakenbourg.

While Schnakenbourg has yet to see large numbers of former autoworkers joining the company, between downsizing at carmakers and the sector's renewed appeal to workers, she thinks this might happen with time. "People find secure jobs here because the industry is booming," Schnakenbourg said.