## German national rail operator Deutsche Bahn announces 30,000 job cuts

Ulrich Rippert 28 July 2024

At its annual press conference on Thursday, the Deutsche Bahn Executive Board announced massive job cuts. "We want to reduce our workforce by around 30,000 full-time employees over the next five years," said Deutsche Bahn CFO Levin Holle at the presentation of the half-year results.

Deutsche Bahn (DB) cites high losses in almost all business areas as the reason for these job cuts. In the first six months of the year, the company had a loss of €1.2 billion. This was unacceptable, the state-owned enterprise said. CEO Richard Lutz first cited the strike waves of recent months as the cause and then also spoke of major construction sites and extreme weather as additional cost factors.

In reality, the announced jobs massacre is a deliberate political decision by the coalition government comprising the Social Democrats (SPD), Liberal Democrats (FDP) and Greens. Deutsche Bahn AG is a 100 percent state-owned company. There are several state secretaries on the management and supervisory boards, and all important decisions are made via the Federal Ministry of Transport, where the FDP calls the shots. "The balance sheet figures show the urgent need for action," commented Federal Transport Minister Volker Wissing on the figures. Deutsche Bahn "must become more economical and competitive," he stressed.

The announced job cuts are part of a comprehensive rationalisation plan, which also includes the closure of so-called "unprofitable lines." Rail services are to be further reduced, particularly in rural areas and structurally weak regions. Lutz told the press on Thursday that no decision had yet been made on the closure of unprofitable routes. However, news magazine *Der Spiegel* reported on a "secret paper" and has already named a number of specific railway lines

that were planned for closure.

In other words: While the effects of climate change are becoming ever more drastic and the Deutschland-Ticket, a relatively low-cost monthly ticket that enables unlimited local travel, shows that many people want to travel by train—also for environmental reasons—the German government and the DB management are ruining the most environmentally friendly means of transport in the name of profit and personal enrichment. At the same time, the rationalisation plan is exacerbating the social divide in the country by leaving remote areas even further behind and commuters to fend for themselves.

What is more, such extensive staff cuts will change work processes, increase workloads and increase the risk of catastrophic accidents for employees and passengers. The number of fatal accidents at work on the railways has already increased significantly in recent months.

There is no doubt that the announced job cuts and the planned route reductions are part of a comprehensive attack on the working class. The huge increase in defence costs is being financed at their expense.

The same ruthlessness with which the coalition government has driven up energy prices and pursued a ruinous industrial policy is now being applied to the railways. The announced redundancies must be seen in the context of the ongoing jobs massacre in all industrial sectors. In the last few days alone, 14,000 job cuts have been announced at technology manufacturing company ZF, 500 at Bosch, 4,000 at battery manufacturer Varta and 10,000 at enterprise software firm SAP.

And as everywhere else, the German government and Deutsche Bahn are relying on the trade unions in their attacks on employees.

The job cuts will be "organised in a socially responsible manner" and redundancies for operational reasons will be "avoided wherever possible," the union heads say. This means that the job cuts have already been discussed and agreed with the trade unions and their works council representatives.

The announcement that "initially, above all," it is the white-collar sector that will be rationalised is also part of a pre-arranged fix. With regard to the administrative redundancies, the Executive Board is relying on the German Train Drivers' Union (GDL), which has long denounced the administrative apparatus as a "bloated bureaucracy." If the redundancies are then extended to the train drivers, the Executive Board will rely on the EVG railway and transport union, which accuses the train drivers of trying to gain privileges for themselves.

In an initial statement, the GDL also said it felt the job cuts were justified. However, only "if they take place in the administration and not in the direct area," a GDL spokesperson said.

The EVG, on the other hand, criticised the extent of the planned redundancies, but made clear that there was nothing wrong with "putting processes and structures in the company to the test and questioning them."

Both unions are working very closely with the management and have a key role in playing the employees off against each other and dividing them in order to prevent a joint fight in defence of all jobs.

Railway workers must prepare for a struggle that is directed against the DB board, the federal government and both trade unions.

Even though the Deutsche Bahn floatation on the stock market ultimately failed due to the global 2008 financial crisis, its transformation into a profit-oriented public limited company has led to the disintegration of the infrastructure and the current crisis.

In 2007, we analysed in detail the transformation of the railways from a state-owned service company into a profit-oriented global logistics group. Our assessment at the time has been fully confirmed. We wrote:

> The aim of the privatisation is to transform a national service built up over decades with taxpayers' money into a globally operating logistics enterprise and a lucrative asset for private investors. Such a step presupposes low

levels of wages and social conditions. The high levels of profits expected by the private investors can only be achieved at the expense of the workforce and the quality of a service that, up until now, has been carried out by the railways as a public service.

We drew attention to the fact that the transformation of state railways into internationally active private companies is a pan-European development that has been driven forward under the leadership of the European Union and has had disastrous consequences in all countries.

Last summer, the WSWS supported the establishment of the rank-and-file Rail Action Committee, which was founded during the EVG strike and has expressed its distrust of both unions. It strives for the international unification of all railway workers and bases itself on the principle that the rights and needs of workers take precedence over the profit interests of investors, shareholders and speculators.

We are calling on all railway workers and all those who want to participate in setting up independent action committees to send us reports on the planned redundancies and conditions in their area and to get in touch with us: Make contact via WhatsApp on +49-163-337 8340, register using the form below or send your report to the *World Socialist Web Site*.



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