

Fewer Auto Workers Making More Vehicles

By [The Moscow Times](#)

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Workers having a rest at automaker AvtoVAZ, which has downscaled its human resources by a quarter since 2008. **Andrei Makhonin**

The total head count in the automobile industry has shrunk, but output has grown, a testimony to improving labor productivity in the country, a news report said Monday.

Companies that produce cars and car components have reduced their staff by 29 percent since 2008, when Russia began taking a battering from the economic crisis, according to ACM-Holding, a market research company.

The auto industry headcount now stands at 243,304 people.

During the same time, the industry has cumulatively stepped up production by 24 percent.

AvtoVAZ downscaled its human resources by a quarter, and GAZ by half, said Ivan Bonchev, a director at SI Capital Partners company, Vedomosti reported.

But AvtoVAZ, now controlled by the Renault-Nissan alliance, recently reversed the trend by adding 2.4 percent to its staff in the past 12 months and now employs 68,031 people.

Billionaire Oleg Deripaska's GAZ increased its number of employees by 5 percent over the same timeframe, to reach 8,934 people on its payroll.

The hiring occurred because the two companies expanded contract assembly for other automakers, their representatives said.

AvtoVAZ started producing cars for Nissan in December, and is preparing to manufacture Renault brands. While AvtoVAZ plans to increase its output by a further 50 percent, to 1.1 million cars by 2020 it intends to hire only another 2,000 workers, the company's spokesman Igor Burenkov said.

GAZ has recently begun producing cars for Volkswagen, General Motors and Mercedes.

Russia's biggest truck maker, KamAZ, does not intend any further layoffs, a company spokesman said.

Bonchev said the auto industry had reached its limits for workforce reduction.

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