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# Russians Must Adapt to More Unemployment - Deputy Prime Minister

By The Moscow Times

January 23, 2015



Moscow students reading information about the Vacancies Fair in Moscow.

Unemployment is set to rise in Russia amid a prolonged economic downturn, First Deputy Prime Minister Igor Shuvalov said during a set piece discussion about the state of Russian politics and business at the World Economic Forum.

“We have to prepare for the fact that people will become unemployed and that they will need to adapt to the new conditions,” Shuvalov told a group of investors and journalists in Davos, Switzerland, late last week.

A low rate of unemployment, which has fallen steadily in recent years after a spike during the financial crisis of 2009, has been one the signature economic achievements of the 15 years since Vladimir Putin first became Russian president in 2000.

Shuvalov gave the warning about the likely rise in unemployment as he opened the discussion

at Davos with gloomy predictions about the fate of the Russian economy that he said was likely to suffer more this year than during the financial crisis of 2009.

“There is nothing good in the current situation, which is very serious, and I think that it will get worse,” Shuvalov said.

The unemployment rate in Russia in November was 5.2 percent, or 3.9 million people, according to data from the World Bank. That is down from 7.3 percent in 2010.

The government announced plans to earmark 52 billion rubles ($800 million) on Jan. 19 to support the unemployed as the economy buckles under the pressure of Western sanctions and a halving of the price of oil, Russia's main export earner, since June highs of $115 a barrel.

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