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Moscow City Government Plans Major Layoffs Amid Budget Strain

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Moscow Mayor Sergei Sobyanin. **Moskva News Agency**

Moscow Mayor Sergei Sobyanin said Wednesday that the city government will reduce the size of its workforce by 15% after budget revenues in recent months fell short of projections.

"Based on the results of the first two months [of 2026], revenue growth amounted to 2%, which is below the 6.5% projected when this year's budget was drafted," Sobyanin was quoted as saying by the Moskva news agency.

Sobyanin said the layoffs would take place by June 1, but he did not specify which departments or employees would be impacted. He stressed that the move would not affect the number of employees "providing social services to citizens."

In addition, he said the city will cut its 2026 investment program by 10%, which includes canceling or postponing urban beautification projects and public cultural events.

"The measures we've adopted will help streamline Moscow's budget spending while fully

meeting our social commitments to residents, maintaining the city's high service standards, advancing key development projects and ensuring funding for support of the Defense Ministry, as well as servicemen and their families," Sobyanin said.

Moscow ran the largest budget deficit among Russia's regions last year, posting an annual shortfall of 229 billion rubles ($2.97 billion).

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