#7 of 10: 12-month growth in the metropolitan labour force (September 2026)



Knoxville's labor force shrinks at #7 worst rate in TN

Local data reveals deepening economic divergence

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THE DATA

-1.4%

12-month growth in the metropolitan labour force (September 2026)

Knoxville's labor force contracted at the seventh-worst rate among 10 Tennessee metros.

This contraction suggests a tightening in labor availability, which may accelerate the existing scarcity of skilled workers in construction, tech, and healthcare—sectors critical to long-term housing demand. While home prices remain stable, the labor force decline signals a potential constraint on new construction and neighborhood revitalization, especially in high-growth corridors.



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Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics and Current Employment Statistics, September 2026 (seasonally unadjusted, metropolitan) · ALEX Intelligence computation
https://alex-companies.com/data/2026-11-08-knoxville-lab-bls-labor-force-growth-12m-msa

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Stability amid contraction

This divergence implies that real estate value is increasingly decoupled from labor market dynamics in Knoxville, driven instead by long-term community strength, infrastructure investment, and buyer confidence in East Tennessee’s enduring appeal. The market is not overheating, but it is becoming more insulated from broader economic shifts.

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The hidden driver of value

This suggests that the current labor contraction may be temporary and sector-specific. The real estate market may already be pricing in future growth from planned infrastructure, not past labor trends. The value of properties near transit corridors and planned development zones could rise faster than the labor data alone would predict.

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