Although the overall unemployment rate edged up to 5.0% in June, the most recent employment statistics continue to portray a robust labor market. Nonfarm payrolls were up a healthy 217,000 for the month, maintaining this year’s vigorous average pace.

The service-producing sector accounted for the vast majority of the jobs gain, adding 205,000 new positions in June. Within that category, education played a significant role (+9,000), partly because of shorter summer vacations and seasonal adjustment factors. Retail trade (+58,000) and local government (+78,000) were also major contributors to June’s advance. In contrast, employment in the goods-producing sector slowed from May’s pace.

While the payroll employment numbers for June paint a rosy picture, household survey results show a loss of 275,000 jobs. This month-to-month divergence in the data is not unusual; over time, however, the two measures provide a consistent employment picture.

New jobless claims rose 5,000 in the week ended June 28, to 357,000. Although claims have inched up this year, the overall number of unemployed workers applying for benefits remains low.