

# Market Watch

<b>S&amp;P/TSX</b> 20,693.15 +62.46	<b>S&amp;P 500</b> 4,133.52 +3.73	<b>DOW</b> 33,808.96 +22.34	<b>NASDAQ</b> 12,072.46 +12.90	<b>DOLLAR</b> 73.85¢US -0.39¢	<b>OIL per barrel</b> US\$77.87 +\$0.50	<b>Nat. Gas/mmBTU</b> US\$2.41 -\$0.02	<b>GOLD</b> US\$1,990.50 -\$28.60
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## What is the U.S. Federal Reserve focused on?



**Eric Van Enk**  
Economics 101

Financial markets are currently obsessed with predicting the U.S. Federal Reserve's next move. Will the world's most influential central bank continue to increase interest rates? Will they pause? Will they cut?

First, some background — the U.S. Federal Reserve differs from the Bank of Canada because it has a dual mandate to ensure price stability as well as full employment. The Bank of Canada's mandate is focused on price stability (inflation circa 2%). Inflation remains uncomfortably high

which has caused global central banks to aggressively increase interest rates. Higher rates will eventually cause inflation to return to 2%, but, at what cost?

Equity markets have moved higher from the lows we experienced last fall, led by the NASDAQ which is generally considered to represent more speculative stocks relative to the S&P 500, Dow Jones Industrial Average or the S&P TSX. The substantial rally in the NASDAQ as well as bonds is based on the market's view that the Fed will soon cut interest

rates. This view is tied to the Federal Reserve's dual mandate — higher interest rates will cause economic pain, creating unemployment which will lead to the Fed cutting rates to ensure full employment. Is the market ahead of itself?

Let's examine the North American economy and the reason core inflation has remained stubbornly above 2%. Seventy per cent of the North American economy is represented by the service sector and the largest cost of services is labor.

Therefore, the Fed can't get inflation back to 2% if wage growth is substantially higher than 2%. The real question we need to answer is what's required to reduce wage growth to a level consistent with 2% inflation? The chart below shows the state of the US labor market — 1.7 job openings for every unemployed person. Stated another way, there is 70% more demand than supply for labor. Whenever there's more demand than supply for a good or service, the price of that good or service will increase to balance the market.

There are only two ways to reduce labor inflation — reduce demand or increase supply. Canada is attempting to address both by increasing interest rates to reduce demand while opening immigration to increase supply. Immigration is a politically divisive subject in the US and outside of the Fed's mandate, leaving one option.

When there's 70% more demand than supply, the labor market is wildly out of balance and requires drastic intervention, hence, the largest increase in interest rates since the 1980s.

The Fed's next meeting to determine interest rates is scheduled for May 3. In my view, the Fed will maintain higher interest rates until they've created sufficient slack in the labor market to have a clear line of sight to 2% inflation. Stated another way, the Fed is trying to engineer a shallow recession to reduce demand for labor.

Based on the most recent data, the North American economy is continuing to grow which isn't conducive to creating slack in the labor market. Remember the Fed's dual mandate — 2% inflation and full employment — employment is spilling over the brim with 70% more demand than supply and core inflation is more than double their 2% target.

*Eric Van Enk is a wealth adviser & associate portfolio manager with National Bank Financial in Medicine Hat. He is a graduate of the University of Calgary, as well as a CFA charter holder with 20 years of financial markets experience in New York, Toronto and Calgary. He can be reached at eric.vanenk@nbc.ca.*

# PUBLIC NOTICES



**DEVELOPMENT PERMITS APPROVED  
APRIL 13 TO APRIL 19, 2023  
PLANNING & DEVELOPMENT SERVICES**



- RESIDENTIAL**
- 540 20 STREET NE** (Lot 6, Block 3, Plan 7410918) PLDP20230012. Garage.
  - 5342 & 5344 SOUTHLANDS DRIVE SE** (Lot 3, Block 13, Plan 1411496) PLDP20230234. Attached Housing (Two Principal Dwellings).

- COMMERCIAL/INDUSTRIAL/INSTITUTIONAL**
- 3 3326 15 AVENUE SW** (Lot 5, Block 3, Plan 8111345) PLDP20230177. Change Of Use (Industrial Support Services).
  - 3806 BOX SPRINGS ROAD NW** (Range 6, Township 13, Section 14) PLDP20230203. Industrial Operations.

- HOME BUSINESS**
- 441 12 STREET SW** (Lots 10 & 11, Block 35, Plan 2177M) PLDP20230018. Home Business Minor. Painting and Sandblasting.
  - 312 STERLING CRESCENT SE** (Lot 26, Block 14, Plan 1412603) PLDP20230079. Home Business Minor. Project Manager/General Contractor.
  - 313 FLEET STREET SW** (Lot 21, Block, 1 Plan 8010927) PLDP20230094. Home Business Minor. Online Sales (Crafts).
  - 128 EAST GLEN DRIVE SE** (Lot 28, Block 13, Plan 7910917) PLDP20230142. Home Business Minor. Online Sales.
  - 401 12 STREET NW** (Lot 37, Block 6, Plan 7989HD) PLDP20230147. Home Business Minor. General Contractor/Project Manager.
  - 284 6 STREET SE** (Lot 10, Block 88, Plan 636M) PLDP20230209. Home Business Minor. Amusement/Vending Machine Distributor.
  - 492 SPRUCE WAY SE** (Lot 23, Block 4, Plan 9911834) PLDP20230222. Home Business Minor. Mobile Business Unit (Sandblasting).
  - 6 SCOTT GREEN SE** (Lot 23, Block 7, Plan 9912452) PLDP20230223. Home Business Minor. Consultant (Vehicle Wholesaler).
  - 64 SHANNON DRIVE SE** (Lot 21, Block 26, Plan 9211268) PLDP20230230. Home Business Minor. Consultant.
  - 48 SHANNON DRIVE SE** (Lot 17, Block 26, Plan 9211268) PLDP20230231. Home Business Minor. Bakery.

A person claiming to be affected by a decision of the Development Officer or the Municipal Planning Commission may appeal to the Medicine Hat Subdivision and Development Appeal Board by completing and submitting to the City Clerk Department, the required Notice of Appeal form within twenty one (21) days of this publication. Notice of Appeal forms are available from the City Clerk Department, Third Floor, City Hall or on the City's website at [www.medicinehat.ca](http://www.medicinehat.ca).

All Development Permits listed are subject to conditions. Further information on any Development Permit may be obtained from the Planning & Development Services Department, Second Floor, City Hall during normal business hours (Telephone 403.529.8374).



The Solid Waste Utility currently has bags of finished yard waste compost (SureGrow) for sale, while quantities last.

SureGrow is a class A compost that greatly enhances overall soil structure and improves movement of air and water within the soil - essential to healthy plant growth. Plants grown in soil amended with compost tend to be healthier, require less watering and are more disease and pest resistant.

Bagged compost can be purchased for \$8.00 per 20 kg bag at the Landfill Scale House, during summer hours, which are:

**Monday to Saturday, 8 a.m. to 5 p.m.**  
(Closed Sundays and holidays)

For more information call  
**403-529-8176** or visit  
[medicinehat.ca](http://medicinehat.ca)



[www.medicinehat.ca](http://www.medicinehat.ca)

### 8AM - 4PM SPECIAL SERVICES

Electric Outages.....	403.529.8260
Gas Emergency.....	403.529.8191
Water & Sewer Emergency.....	403.502.8042
After Hours Special Services.....	403.526.2828

### THE CITY OF MEDICINE HAT LAND USE BYLAW 4168 PROPOSED AMENDMENTS BYLAW 4778 - LOT 14, BLOCK D, PLAN 9911151 BYLAW 4784 - 29 - 5 STREET SE

TAKE NOTICE that City Council will consider First Reading on Monday, April 17, 2023 of the following City of Medicine Hat Bylaws:

**Bylaw 4778**, amending Land Use Bylaw 4168 to to rezone the subject property and a portion of the lane from Medium Density Residential District (R-MD) to Community Services District (CS) to create consistent zoning across a parcel that is in the process of consolidation and will become a single fee simple parcel once consolidation is complete.

**Bylaw 4784**, amending Land Use Bylaw 4168 to rezone the subject property from Medium Density Residential District (R-MD) to Low Density Residential District (R-LD) to accommodate a lower density residential development. The subject site was historically designated as Low Density Residential District (R-LD) with a Single Detached House. The parcel was recently rezoned to Medium Density Residential District (R-MD) in anticipation of a proposal for a Multiple Unit Residential Development. A Development Permit was applied for in 2021 for a four-unit Multiple Unit Residential Development. However, the application was later withdrawn.

A Public Hearing in general accordance with the Municipal Government Act and the City's Procedure Bylaw, and consideration of the Second/Third Readings of proposed Bylaw 4778 and Bylaw 4784 will be held on Monday May 1, 2023, beginning at approximately 6:30 pm in the City Hall Council Chambers (580 First Street SE).

Any person who claims to be affected by the proposed bylaw may make an oral presentation limited to five minutes to City Council at the Public Hearing. All written/electronic submissions received prior to the Public Hearing will be presented to City Council with any submissions received by 12:00 noon, Thursday, April 27, 2023, being included in the Regular City Council Meeting agenda.

Written submissions become public documents and must be submitted to:

City Clerk Department, 580 First Street SE, Medicine Hat, Alberta T1A 8E6

or e-mail: [clerk@medicinehat.ca](mailto:clerk@medicinehat.ca)

For further information, or to view copy of the proposed Bylaws and related documents, please contact Planning & Development Services at 403.529.8374. The proposed bylaws may also be accessed via the 'Proposed Bylaws' section on the City's website at [www.medicinehat.ca](http://www.medicinehat.ca).

Dated at the City of Medicine Hat, in the Province of Alberta, this 15th day of April, 2023.

Arlene Karbasheski, City Clerk

### PROTECT WATER LINES FROM FREEZING

The following actions should be considered to protect your water lines during the cold weather months:

- Repair broken windows and ensure windows/vents are closed during the winter.
- Insulate water pipes in unheated areas, including crawl spaces.
- For sinks located against a non-insulated outside wall:
  - Open the vanity door to allow warm air to reach the water pipes.
  - A light bulb placed near the water pipe may generate enough heat to keep the water flowing.
  - Heat tape wrapped around the pipe may keep the pipe from freezing.
- Residents of mobile homes should check the condition of the heat tape on their water service and water meter.
- Protect an unheated indoor water meter with an insulated box and water pipes should be wrapped in insulation using heat tape.
- Outside water faucets and underground sprinkler systems should have the water supply shut off inside the house at the isolation valve for the faucet/hose bib.
- Sprinkler lines and faucets should be drained/blown out.
- A thin stream of cold-water (as thick as a pen) running continuously from at least one faucet will help prevent a frozen water service.
- If you plan to be away from home over the winter period, close the main water isolation valve located next to the water meter in your home.
  - You should leave the heat on in your home and have someone check inside your home daily while you're away.

A frozen water service or a burst water pipe is an inconvenience and expense that most people would like to avoid. Please take all possible precautions to prevent this happening in your home or business.

For more information, refer to [www.medicinehat.ca/frozenwaterlines](http://www.medicinehat.ca/frozenwaterlines) or contact City Assets Environmental Utilities at 403-529-8176.



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**TAKE THE HEARING SELF CHECK!**



- Do you have trouble hearing and understanding a conversation? YES  NO
- Do you find yourself asking others to repeat themselves?
- Does it seem as though people are mumbling.

If you answered "YES" to any of these questions schedule a hearing test now!



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