Trends from one saw doctor’s perspective.

As I said this time last year, I tend to view trends not as much in respect to prediction of the future, but rather what has happened in 2009 that will most likely affect how things will go in 2010.

2009 has been a tough year for the lumber industry, to say the least. I have seen many of my customers slow way down, close their doors, or go out of business. One of my customers, who owns seven mills, now has only two in operation. I suspect they are doing better than the regional average.

Although my customer base has shrunk considerably, the list of my active competitors has also gotten much smaller. Mostly it has been the larger mill supply houses that have suffered the most because they had huge inventories to maintain. The smaller operations like mine are hurting, but less overhead means fewer reasons to have to close the doors completely.

It would seem like now is the perfect time for someone with enough financial resources (otherwise known as money) to buy up all of the surplus mill equipment at below bargain prices and just hold onto that stuff and wait for the comeback. That is how things used to work in this industry, but I don’t think that scenario plays out anymore.

It seems that this country is just losing way too much manufacturing of all types to other countries, and the result is that we may never see the market for sawmill equipment come back to what it once was. Of course everything is affected by the global economy in one way or another.

On another economic note, as of this writing, our elected representatives are still working on and debating (if you can call it debating) so-called healthcare reform. I am deeply bothered by this subject. What bothers me the most is that there is one extremely important issue to be decided before anyone dares to even consider how to reform our healthcare system and I have heard no debate on this question so far.

The question is: Should basic healthcare be a right or entitlement of U.S. citizenship, or should it be a privilege much like owning a car or a house. Only after that question is debated and some sort of consensus has been achieved, can anyone properly begin to figure out how to fix the present healthcare system.

What we are doing now is sort of like trying to hammer a saw without knowing what a finished saw should look like. You can’t map out your vacation trip without first having a destination and you can’t come up with a destination without knowing what your ultimate goal is.

If the ultimate goal is to keep basic healthcare as a privilege, then that would dictate one particular direction of reform. If, on the other hand, the goal is to have healthcare as a right of citizenship, you would need to take things in an entirely different direction. My problem is that nobody seems to be having that basic debate first. Instead they are trying to do whatever they can to make whatever kind of changes they can get both sides to agree to so that everyone can then say that they reformed our healthcare system. Unfortunately it all seems to be more about politics and less about actual healthcare. I assume that the new administration is going on the principle that some positive change is better than nothing, and I can certainly understand that logic. And I applaud them for trying to salvage something positive from this situation of impossible partisan polarization.

On the side of thinking that basic healthcare could be a right of citizenship, I can only imagine how much it would help all businesses, small and large to not have to pay for health insurance anymore. Small businesses who can’t afford to provide health insurance for employees are at a competitive disadvantage when trying to attract workers, and companies who do manage to provide adequate health insurance are at a competitive disadvantage with companies in countries where the government provides all of the basic healthcare.

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On top of that, the largest percentage of personal bankruptcies were due to healthcare costs. So, just imagine if we had government healthcare for all citizens, that the largest chunk of personal bankruptcies would cease and desist and all of a sudden, all employers would have one less huge expense to worry about. Sure we would have to pay for it with higher taxes, but at least we would be getting something for our taxes this time.

And then you may worry that all of those people working for the health insurance industry would be out of work. Not so. Who would be better qualified to administer the public healthcare system than those who have been doing that job for the insurance companies?

I know that is an oversimplification of how to save the world, but at least I know what the right question is, even if you don’t happen to agree with my answer.

Questions about sawmills and their operation should be sent to Forum, The Northern Logger, P.O. Box 69, Old Forge, NY 13420, FAX #315-369-3736.

The author is a saw doctor and president of Seneca Saw Works, Inc., P.O. Box 681, Burdett, NY 14818, tel. (607) 546-5887, email casey@senecasaw.com.