

within twenty per cent. of the normal standard. But a large proportion of those are quite eligible for endowment policies. Now, there is a difference between the selection by the party himself of an endowment and the selection by the company of the endowment. I think that the party who comes and offers to pay a large premium, for the purpose of securing a payment to himself at a certain time afterwards, is the man who has confidence that he is going to live out that time to receive the money. The company, on the other hand, take it on themselves to make a selection, which in no way involves an expression of opinion from the party himself; and in that way the selection may be against the company, especially in cases where the tendency to death would be at an early age. Now, there is another feature in the matter. If a party were at all posted, he might say to himself: "Well, I don't think it is likely that I am going to live very long, and probably the only way that I can get a policy is to offer to take a high-premium policy." There is a possibility that some one might make up his mind that by offering endowment premiums the company would take it for granted that his own opinion was good as far as he himself was concerned. If I were an impaired life, and understanding the business as I do, I would not go to any company and ask them to take me on a life term, but I would apply for endowment insurance.

Mr. PHILLIPS (Equitable), being asked to speak, said: I fear that I cannot give anything that will be of much interest to the Society. We have not made a calculation in regard to the average mortality of heavy men. But our general principle has been always to take heavy men on endowment policies. If the applicants would take an endowment policy for twenty years, we would issue the policy. If they were very heavy, we cut down the time. Sometimes we would offer a ten-year endowment, sometimes a fifteen. But if they would not take it we let them pass. That has been our course; and I feel sure that heavy men are a little more inclined to sudden death, and that obesity is a sign of degeneration of the tissues, and that all companies should be rather slow in accepting such risks. If I could offer any figures upon the point I should be very glad to do so.

Mr. IRELAND (Massachusetts Mutual). I would like to ask Mr. Phillips whether they have made any difference in considering heavy men, in the case of those whose family history shows a tendency to heavy weight in the family and heavy weights among the ancestors who had lived to good ages.

Mr. PHILLIPS: We have always considered that point. We thought that that took off some of the objection to them, if we found that the heavy men lived long. But I am not sure that our knowledge of the parents and brothers and sisters was good enough, frequently, to enable us to take that into account.

Mr. MACAULAY: If I remember aright, Mr. McClintock, at our last meeting, made a distinction between heavy weights, and declared that those whose parents, at the time of the application, were both living, or, if dead, had not died below the age of seventy, showed a mortality as favorable as any class in the company's business; and that those heavy weights which showed an unfavorable mortality were those in which there was a death of one or other of the parents under the age of seventy, from some cause.

Mr. McCLINTOCK: I think that the matter of light weights is quite as important as the matter of heavy weights. I am sorry that I have no statistics to speak of in connection with light weights. I must say that, for myself, I was greatly pleased to hear Mr. Macaulay's paper, and I think he deserves our thanks for taking the trouble to put the facts together as clearly and satisfactorily as he has done.

Mr. MACAULAY: We are in our company impressed with the danger of accepting persons who are markedly under average weight, especially if that under-average weight is combined with unfavorable family history. We have been in the habit of looking with the most suspicious eyes on the combination of those two traits—any unfavorable point in its family history, and light weight. The question of medical selection comes down very largely to a question of selection against consumption. Heart disease and many other diseases can be discovered by the doctor; and, if discovered, the applicant is thrown out. Consumption is, however, the disease which is most likely to prove fatal in the early years of our policies; and if we can only, by care and judgment, cut out the risks in which consumption is most likely to set in, we will have a favorable mortality; and if we do not succeed in doing that, we will not. Our success in having a favorable mortality will be to a large extent proportionate to our success in cutting out consumptive cases.

Mr. CRAIG (Metropolitan): Mr. President, I think that the remarks which Mr. Macaulay has just made ought to be subject to some modification, because we must recognize the fact that life insurance is designed for men who die from consumption as well as for men who die from any other disease; and if it were possible to eliminate beforehand all those who are to die from consumption, we would have to reconstruct all the tables upon which our business is based, and charge a smaller premium.

Mr. MACAULAY: Of course, I hope none of the members have the idea that I think it is possible to eliminate all consumptive cases; but in certain classes of business the possibility of consumption setting in is more probable than in certain other classes.

Mr. NICHOLS: Two men, I think, may be of the same height and the same weight, and yet their difference in build will indicate whether or not they have the consumptive tendency. In some cases—I refer to the case of men with large frames and loose frames, as we say—those men, I have in my own personal observation often noticed, have a strong consumptive tendency, and it seems to me that in those cases the risk is quite as great as if they were men of light weight. Another feature that has impressed me has been that men may be of light weight, and even of undue height, and at the same time be comparatively free from the consumptive tendency, by reason of their physical condition being just the reverse of that which I speak of. Some men are extraordinarily spare, and show that they have very little physical vigor in their constitution. Other men may be of equal weight, and equal height, at the same time they are what we term wiry, tough. And I simply rise, gentlemen, to draw the distinction between those two classes, as they have impressed my own mind, but without, as I say, any statistics whatever to guide me on the subject.

Mr. CRAIG: If the theory of the business is carried out, it would imply that the mortality should be on a normal basis. If the character of risks is such by selection that the mortality is below the normal basis, a discrimination has been made, if I may use the expression, against the table of mortality itself. That discrimination enables a company to return larger profits to those who have been insured, but the increase of dividends has been at the expense of the exclusion of other men who might properly have been insured so as to bring the rate of mortality up to the normal basis.

DOUBLE ENDOWMENTS, BY ISRAEL C. PIERSON.

Mr. MACAULAY: There is one little point in this that is not peculiar to this paper; but it is peculiar to the whole plan of taking under-average lives on endowments. I have been investigating lately the DMR table of the Institute of Actuaries, which includes impaired