

TRANSACTIONS

OF THE

FACULTY OF ACTUARIES

Memoir of

MR. WILLIAM HUTTON, F.F.A., F.I.A.

WITH the deepest regret we record the death of Mr. William Hutton, a former President of the Faculty of Actuaries, which occurred in London on the 26th June 1933. He motored from Glasgow to London, to fulfil a business engagement, on the 14th June, and must apparently have contracted a chill on the journey, for he was taken ill at his Club and removed to a nursing-home, where he was found to be suffering from pneumonia. This spread from one lung to the other, and he got gradually weaker and passed away quietly, in the presence of his family, on the 26th June. He leaves a widow and two sons, to whom, and to his brothers and sister, the deepest sympathy of every member of the profession will go out. He married in 1905 Miss Dorothy Cuthbertson, the daughter of a leading East India merchant. His home life was singularly perfect, for he was always a dear friend and comrade as well as husband and father. He had great pleasure and natural pride in the successes of his sons at Fettes and Oxford, and happily he lived to see them established in their professions—the elder as a Chartered Accountant and the younger at the English Bar.

By the death of Mr. Hutton the actuarial profession loses one of its foremost and best-beloved members, and the feelings of his brother actuaries are well expressed in the following Resolution passed by the Council of the Faculty of Actuaries on the 10th July 1933.



WILLIAM HUTTON, F.F.A., F.I.A.

1871-1933

President of the Faculty 1913-15

RESOLUTION.

The Council have learned with deep regret of the loss which they have sustained by the death of Mr. William Hutton, a past President of the Faculty and one of its most distinguished members, and they desire to put on record their high appreciation of his valuable services to the Faculty and to the Profession.

Mr. Hutton was admitted a Fellow of the Faculty in 1895, and while possessing in an exceptional degree the qualifications of the scientific Actuary—with a special capacity for Finance—he chose to devote his abilities to the administrative side of Life Assurance work, in which he attained the highest distinction. His administrative work was marked by strict observance of the highest actuarial principles, and in his integrity of purpose, sound judgment and ripe experience, he was an outstanding example of the scientific Actuary fully qualified to deal with the practical affairs of life. While circumstances made it difficult for him to take the active interest in the work of the Council for which he was so well qualified, his advice and experience were ever at their service on all matters affecting the welfare of the Faculty. During his term of office as President he fulfilled the duties of the office with marked success and with a dignity of bearing and a personal charm that were all his own.

The Council further desire to express their sense of personal loss in the death of one whose peculiar qualities and rare personality earned their highest esteem, which became the warmest affection in the case of those who were privileged to associate with him intimately, and on their own behalf and on behalf of the other members of the Faculty they offer their respectful and heartfelt sympathy to Mrs. Hutton and her sons, and instruct that a copy of this Minute be sent to Mrs. Hutton.

Like many another eminent Scot, William Hutton was a Son of the Manse, and doubtless this had much to do with the formation of his fine character. His father, the Rev. William Hutton, was a leading Presbyterian minister, who in 1898 occupied the eminent position of Moderator of the Presbyterian Church of England.

Before coming South, in 1880, to take over a charge in Birkenhead he was Minister of the United Presbyterian Church at Moffat, and there his eldest son, William, was born on the 30th May 1871. William was educated at Ashford House Preparatory School, and afterwards at the Liverpool Institute High School, where he did well in mathematics under the senior mathematical master, Mr. John Owen, B.Sc., who formed a high opinion of his abilities. His leanings were to a practical career rather than to his father's profession, and at the age of about fifteen he was entered as an apprentice at the Liverpool Office of the *Scottish Widows' Fund*, under the then Resident Secretary, Mr. Alexander Henderson Whytt: he was an old friend of the Rev. William Hutton, an outstanding personality in the Liverpool insurance world, and—like the subject of our Memoir—a man of great mental power, personal charm and high moral character.

It is interesting and not a little curious to learn from one of Hutton's most intimate associates in Liverpool that when he joined the office he "was small for his age and looked rather delicate: he "gave the impression of being very studious and looked as though "he had been overworked (which very probably he was)." Our informant adds, "I can say from personal observation that William " 'took after' his mother (she was tall and slim), and was very like "her in features. At first William gave no promise of the tall "fine man he was to become, but he started to develop about the "age of sixteen," and grew "rapidly, and he was one of our biggest "and best forwards in a Rugby football team in Birkenhead. I "cannot hope to describe the charm of his appearance, manner, "voice and whole personality." In later years his tall and commanding presence, his fine and clean-cut face with its keen blue eyes and strongly-marked brows, and his distinguished appearance, all made him "stand out" from others in any assembly.* It needed little imagination to envisage him clad in armour as a Knight of the Crusades.

It is characteristic of Hutton's determination and earnestness of purpose that from the outset he aimed at getting the Fellowship of both the Faculty of Actuaries and the Institute of Actuaries, at a time when the double qualification could be got only by passing *all* the examinations of both bodies, and in fact he took these examinations concurrently. His old master, Mr. Owen, coached him for his first examination and began to do so for his second; but he soon

* It has been suggested to the writer that the Scots word *Kenspeckle* exactly fits the case.

advised Hutton that it would be better for him to have the tuition of an actuary. Accordingly Hutton applied for transfer to the Head Office of the *Scottish Widows* in Edinburgh, where he would have greater opportunities of training, and the transfer was made in October 1891. We are indebted to one of his oldest friends—now and long since eminent in the actuarial world of America—for some interesting particulars of those early days, when they worked and played together. He writes as follows :

“ We worked together in the office. At night we studied for our examinations, sometimes together, but we often went out for walks during the next year or two, and we generally discussed the subjects we were reading for the examinations. I particularly remember discussions on the Select Mortality Tables and the incidence of extra mortality. Clare’s *ABC of Foreign Exchange*, Goschen’s *Foreign Exchange*, English and Scotch Law, necessary for the Faculty and Institute examinations, etc., were topics we discussed on those evening walks.

“ Our programmes were something like this. We would dine at our separate rooms, work separately until, say, nine-thirty, walk together until ten-thirty, and return to our separate rooms to proceed with our individual studies.

“ We were regular cronies in the Edinburgh days, for besides working in the office and for our examinations more or less together, we played together. We had a number of the same friends and went to some of the same parties. On Saturday afternoons at times he and I took a train down to Dunbar, played golf together and got back in the evenings. [The writer of this memoir seems to remember Hutton telling him that, in those less degenerate days, juniors used to rise early in the summer and get their round of golf before going to the office !] Like everybody else who knew Hutton, I adored him for his personality, and I admired him for his ability.”

Hutton’s examination record is remarkable, and we give it in full.

	<i>Faculty</i>	<i>Institute</i>
Part I.	1888, 4th place	1889 (alphabetical).
Part II.	1892, 1st „	1892, Class III.
Part III.	1893, 1st „	1893, Class II., <i>solus</i> . [only one in Class I.]

Thus he passed his final examinations for both bodies only a year after taking Part II., qualifying for the double Fellowship in his twenty-second year.* His early mathematical bent and the rapidity with which he passed his examinations make it clear that, had he wished, he might have distinguished himself in the technical side of his profession. But the real bent of his mind was in another direction, and though he certainly had a sincere admiration for the outstanding work of such men as Sir George Francis Hardy he would in later years sometimes refer, in his whimsical way, to men who dealt in “curves” and “those squiggly things they cut in fiddles”: in this playfully disrespectful reference to the integral sign \int he was afterwards followed, in similar vein, by an eminent French astronomer † who wrote, *les intégrales au col de cygne dessinent des motifs Louis XV.*

In 1894 Hutton was transferred as actuarial clerk to the London office of the *Scottish Widows*, where a considerable amount of daily actuarial work was done. A year and a half later, in December 1895, he was transferred to the Society's then comparatively small West End office, probably with the view of his getting closer acquaintance with outside work; but while there he must have missed the City and felt a little starved of general business experience. He always had a great affection for the old Society, and the highest regard for its eminent Manager, the late Andrew H. Turnbull, from whom—and from Mrs. Turnbull—he had received much kindness in his Edinburgh days. But he apparently saw little prospect of advancement at a time when promotion went very much—perhaps too much—by mere seniority; and in 1896 he applied for and obtained the position of Assistant Secretary in London to the *Scottish Amicable*, the office for which his life work was done and with which his name will always be indissolubly connected. Probably from this time his mind inclined more and more to the financial and administrative side of his work, and he sought no prominence in actuarial circles, though he became an early and beloved member of the Gallio Club—a dining-club in London which was formed by some of the more prominent younger actuaries.‡ And the writer remembers clearly

* Actually he took up the Fellowship of the Institute in 1893 and that of the Faculty two years later, in 1895.

† Charles Nordmann, *Einstein et l'Univers*, page 29.

‡ It should be recorded that he was elected to the senior body, The Actuaries' Club [of London], in 1906, and he became an original member of The Scottish Actuaries' Club on its recent formation, in 1932.

and with much pleasure the exceedingly favourable impression which he made, on seniors and juniors alike, both by his attractive personality and by the excellent matter and delivery of his speech, when in 1901 he opened the discussion on an important paper at the Institute of Actuaries * ; everyone admired the skill with which he combined professional faithfulness with his duty to his office in discussing a plan which was closely associated with the name of his Society.

In 1905 Mr. N. B. Gunn, the Manager and Actuary of the *Scottish Amicable*, transferred his services to the *Scottish Widows*, and Hutton—then a young man of thirty-four—was appointed to succeed him. To all but his most intimate associates it was, perhaps, a matter of some surprise at the time to find the young second-in-command at the London Office promoted to the managerial chair at the Head Office. But his Directors knew their man, and it soon became evident to the insurance world that “a new planet had swum into their ken.” Born to leadership, he quickly became a leader in his own profession and beyond it. From the outset he quickly made many friends and became prominent in the business life of Glasgow, while more and more he developed his interest in finance, which in later years was to absorb so much of his time and energy. He set himself to modernize and develop his fine old Office, and by brilliant administration, coupled with sound and enterprising finance, he was able, while maintaining its great internal strength, to pilot it from a dignified backwater into its present prominent position in the full stream of competition. The special value of his work was recognized when, in February 1914, his title was changed to General Manager, and he then relinquished the actuaryship in favour of his colleague, Mr. R. Gordon Smith, the present President of the Faculty of Actuaries. Before this, for the year 1908-9, Mr. Hutton was President of the Insurance and Actuarial Society of Glasgow, and delivered to that body an address of which the keynote was “Opportunity.” From the charm of its style and its wealth of literary allusion this address deserves a place in a collection of English essays. In June 1913 he received the crowning honour of election as President of the Faculty of Actuaries, a position which he occupied until June 1915. The Faculty was indeed fortunate in having his firm hand at the helm during the early years of the Great War, when so many matters—both professional and administrative—of the utmost difficulty and importance had constantly to be dealt with. His Inaugural Address [*T.F.A.*, vii. 1] took very high rank in a

* *J.I.A.*, xxxvi. 38. [1901.]

brilliant series of Presidential Addresses, and it attracted much attention by the charm of its delivery, the characteristic excellence of its English, and the great interest and value of its substance. In proposing a vote of thanks for the address, the late Mr. Gordon Douglas well said: "Mr. Hutton has dealt with all the points he has taken up in a very masterly and interesting fashion, betokening deep thought on his part on all the questions touched upon." The main theme of the address was, in its author's own words, "the depreciation which has taken place in the value of first-class securities. This depreciation has been prolonged and severe, and although it has not so far caused any great interference with the ordinary progress of our Life Offices, the time cannot be far distant—if indeed it has not already arrived—when important questions which it raises must be faced and decided." The time was indeed soon to arrive, for within little more than a year the outbreak of war was to raise these "important questions" in their most acute form. Mr. Hutton's treatment of them was marked by deep and accurate financial knowledge, a clear appreciation of the actuarial and commercial considerations involved, and a masterly grasp of the whole problem; and his address has a permanent value, since similar conditions have already been repeated and are likely to be repeated from time to time in the future. Throughout all the difficult years of the War, and the equally difficult years that followed it, he stood like a rock among the shifting sands of circumstance. His colleagues and friends, both in collective debate and in private consultation, derived the greatest benefit from his counsel and advice. His clear vision and logical mind, and the power of clear expression that goes with them, combined with the rare gift of arriving quickly and decisively at his ultimate views, made his co-operation and advice so valuable as to be indispensable on all sorts of difficult subjects—administrative, financial, legal, or actuarial. And so, if one's own view agreed with his, one was fortified and strengthened in it: while if, as rarely happened, one was compelled to differ from him, it was only with hesitation and distrust of one's contrary opinion.

In the years 1922-4 Hutton was Chairman of the Associated Scottish Life Offices, and in this position he gave most valuable and outstanding services to the Offices and to his colleagues.

As time went on Hutton's sphere of activity became more and more enlarged. In 1913 he was appointed a Director of the *Union Bank of Scotland*, in whose work he took the most active interest,

and he was also a Trustee of the *Glasgow Savings Bank*. In 1919 his Office acquired the share capital and control of the *Scottish Insurance Corporation Ltd.*, a small Office transacting all classes of business, and he became Chairman of its Board and—at least for many years—the mainspring of its direction. He had a *flair* for finance and deep and accurate financial knowledge, and in 1924 and subsequent years he was concerned in the formation of a group of Investment Trust Companies, chiefly in Glasgow, of which he was an active and influential Director. And in 1924 he joined the Boards of the leading Tea Companies in Glasgow, to which he gave valued services. In 1929, after twenty-four years of very successful management, he retired from the position of General Manager of the *Scottish Amicable*, retaining however his active interest in its affairs and the seat on its Board to which he was appointed, while still Manager, in 1924; and thereafter he devoted his energies to the work of the numerous Boards on which he sat. On all of them he will be greatly missed.

Mr. Hutton was a rapid and certain worker, with the invaluable power of delegation without loss of personal control, and so in spite of the extent of his activities he was never overwhelmed by work but always found time for another side to his life. He was thus cultured and widely-read, and also a good sportsman, in every sense of the word. In his younger days he played football and lawn-tennis, and he was a keen and skilful golfer and a regular bridge player. To his great mental powers and outstanding ability he united a fine character, a keen sense of humour and readiness for “fun,” a most attractive personality and a singularly magnetic charm of manner, which attracted all with whom he came in contact so that he wove a spell about them. Many a time he must have removed a difficulty or resolved an awkward situation by a humorous remark and the sudden appearance of his characteristic and very winning smile. It may be said of him, as it was of Sir George Hardy, that “to meet him was to wish to know him; to know him was to love him, and the more deeply as the knowledge increased.”* In two brief memoirs, already published, it has been written: “His many friends will remember, even more than his great ability, his singular charm and subtle fascination which brightened each day they saw him”; and “We all loved Hutton.” These things are as true as they are happily said, and they may well be his epitaph.

G. J. L.

* *J.I.A.*, xlix. 13. [1915.]