

Bank Mergers and the Right to Bargain Collectively

Hans Leo J. Caddac

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This Article deals with the right to collective bargaining in the case of bank mergers. The Article gives a background on bank unions and unionizations. It then provides a survey of jurisprudence dealing with the effects of mergers on the right to bargain collectively. One American case held that the disappearance by merger of a corporate employer which has entered into a collective bargaining agreement with a union does not automatically terminate all rights of the employees covered by the agreement, and that, in appropriate circumstances, the successor employer may be required to arbitrate with the union under the agreement.

Another case laid down some principles on successorship. In the Philippine setting, there are several levels of how a merger can affect the dealings of the former corporation, i.e. the “assets-only,” “business-enterprise,” and the “equity” levels. Each is discussed through the respective applicable cases.

The Article then provides a background on two mergers, namely the Equitable and PCI bank merger and the BPI and Far East Bank merger.