

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
THIRD DIVISION**

**NORTH CAMARINES LUMBER CO.,
INC. ET. AL.,**

Petitioners,

-versus-

**G.R. No. 75436
August 21, 1987**

FRANCISCO BARREDA, ET. AL.,

Respondents.

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DECISION

FERNAN, J.:

The Ministry of Labor and Employment in its order dated May 31, 1985 ordered North Camarines Lumber Company, Inc. to reinstate Francisco Barreda to his former position without loss of seniority rights and to pay him backwages for two years without reduction or qualification.

North Camarines Lumber Co., Inc. in the instant petition for *certiorari* dated April 25, 1986 asked that the MOLE order be reversed and the dismissal of Barreda upheld.

Barreda was employed as a scaler by petitioner company in 1963. In 1978, he became supervisor of the fell and buck section.

On January 25, 1979, petitioner issued the following memorandum:

“Memo M-21/79

To: All Employees

SUBJECT: Observance of Company Rules and Regulations

“We wish to enjoin each and every employee to comply strictly with the company rules and regulations. Violations thereof affect not only your record as an employee but may mean termination of your employment.

“We wish to reiterate that the penalty for the third offense during the year is separation from the service, regardless of whether the first two offenses were penalized by warning, reprimand or suspension.”

It appears that in 1979 Barreda committed two offenses for which he was suspended for a total of twenty days. On October 21, 1979, a Sunday, he committed the alleged unpardonable third offense. He figured in a boxing incident with Fernando Fernandez, a security guard of petitioner. The incident, as admitted by petitioner, occurred in the store of one Floriano Barreda located within the company auxiliary compound where the veneer plant proper and the residential houses of petitioner’s staff officers are situated. The store is approximately fifteen meters from the north gate of the compound.

The following day, petitioner addressed a memorandum to Barreda terminating him for having assaulted a fellow employee without sufficient provocation and placing him under suspension pending clearance from the Ministry of Labor.

Whereupon, on October 26, 1979, petitioner filed with the MOLE an application for clearance to terminate Barreda’s employment. The regional director granted the required clearance but on appeal the MOLE set it aside and issued the order subject of this petition.

We hold that the MOLE did not commit any grave abuse of discretion in ordering the reinstatement of Barreda with backwages. Whether the third offense attributed to Barreda was committed while the latter was off duty and outside the company premises is not the crucial issue here. Rather, it is the inequitable manner by which Barreda was discharged.

While conceding the employer's basic right to regulate the conduct of its employees while inside company premises, we cannot help but notice the unusual zeal and haste displayed by petitioner in applying the full force of its rules on Barreda. Undoubtedly, the boxing episode was completely blown out of proportion. The fisticuffs were plainly a private matter between the two employees which had no apparent deleterious effect on the substantial interests of the company. Considering Barreda's length of service with petitioner, coupled with the attendant circumstances, the penalty of dismissal was certainly not commensurate with his alleged misconduct. We affirm his reinstatement with backwages for two years.

ACCORDINGLY, the Court Resolved to **DISMISS** the Petition for lack of merit.

Gutierrez, Jr., Feliciano, Bidin and Cortes, JJ., concur.