

**A NEW LOOK AT THE OLD PROBLEM OF A REASONABLE EXPECTATION:
THE REASONABLENESS OF REPEATED RENEWALS OF FIXED-TERM
CONTRACTS AS OPPOSED TO INDEFINITE EMPLOYMENT**

SB Gericke*

SUMMARY

In South Africa, the *Labour Relations Act* 66 of 1995 (LRA) regulates and protects the position of the employee who reasonably expects that a fixed-term contract will be renewed on the same or similar terms while the employer only offered to renew the contract on less favourable terms or in some instances was not prepared to renew the fixed-term contract at all. The LRA regards the latter conduct as a dismissal, as long as the employee can prove that the employer was responsible for creating the reasonable expectation of contractual renewal. In contrast to this position, the LRA does not regulate or protect the position of the employee whose fixed-term contract was repeatedly renewed on the same, similar or even improved terms, while the employer was in a position to offer the employee indefinite employment. The employer may even have created a reasonable expectation that repeated renewals would result in permanent employment. The exploitation and abuse of the fixed-term contract to the extent that an employee is deprived of employment security and the benefits linked to an employment relationship of indefinite duration have prompted a comparative investigation into this particular field of law.

KEYWORDS

Fixed-term contract; reasonable expectation; section 23 of the *Constitution of South Africa*, 1996; section 186(1)(b) of the *Labour Relations Act* 66 of 1995

* SB Gericke LLB LLM (UP). Lecturer in Labour Law at the University of Pretoria. Ezette.Gericke@up.ac.za.