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Hall v Aspen Pharmacare Holdings Limited and Others

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(D391/2023) [2026] ZALCD 49 (2 October 2026)

INTRODUCTION

In *Hall v Aspen Pharmacare Holdings Limited and Others,* the Durban Labour Court reviewed a Commission for Conciliation, Mediation and Arbitration (CCMA) award concerning whether the non-renewal of a fixed-term contract constituted a dismissal under section 186(1)(b)(i) of the Labour Relations Act (LRA)[1].

FACTS OF THE CASE

The applicant, Greg Hall, was initially engaged by Aspen as an independent consultant in February 2015 and, in April 2016, was placed on Aspen's payroll under a fixed-term contract that was renewed nine times over six years. Although contractual clauses and written notices stated that his employment would terminate on specified dates, Aspen repeatedly extended his tenure, on one occasion moving him to another division while retaining 50% of his human resources functions. In December 2021, Hall was informally told that his contract would possibly not be renewed if funding for the next phase of the project was not approved. On 17 February 2022, Aspen informed him that his contract would not be renewed. According to Hall's evidence, the reason given was that Aspen no longer dealt with contractors, as they put it at risk. The CCMA commissioner found that Hall failed to prove a dismissal, as the renewals did not create a reasonable expectation of further renewal.

THE COURT'S FINDING

Motshekga AJ held that because the existence of a dismissal is a jurisdictional fact, the applicable review standard is correctness rather than reasonableness. The Court found that the commissioner erred by treating contractual end dates and disclaimers as overriding considerations rather than evaluating the totality of the circumstances. The informal warning that Hall's contract would possibly not be renewed did not negate the reasonableness of his expectation, as Aspen had not previously acted consistently with what it told him. Given Aspen's practice of retaining Hall despite written indications to the contrary and the ongoing nature of his work, Hall established an objectively reasonable expectation of renewal.

CONCLUSION

Consequently, the Court held that Hall was dismissed within the meaning of section 186(1)(b)(i) on 17 February 2022, when Aspen notified him that his contract would not be renewed. The Labour Court reviewed and set aside the award, substituted it with a finding that the CCMA had jurisdiction, and remitted the dispute to the CCMA to determine the fairness of the dismissal before a different commissioner. No order as to costs was made.

This judgment serves as a reminder to employers that contractual clauses disclaiming an expectation of renewal will not, on their own, protect them where their conduct suggests otherwise. Employers who repeatedly renew fixed-term contracts, or who find alternative ways to retain an employee despite stating that the contract will end, risk creating a reasonable expectation of renewal.

[1] Act 66 of 1995



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