



# **ST.MARY'S UNIVERSITY COLLEGE**

## **FACULTY OF LAW**

LL.B THESIS

**Contract of Employment for Definite Period  
of time Under Ethiopian Labour  
Proclamation No 377/2003**

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## **Conclusion and Recommendation**

It is possible to have an employment contract for both an indefinite and definite period of time. A contract of employment is deemed to be formed where a person agrees directly or indirectly to perform work, or a piece of work, for and under the authority of an employer for a definite or indefinite period in return for remuneration. Unless otherwise provided by law, a contract of employment is not required to be in any special form. The parties to a contract of employment are the employer and the employee. Both must be capable of contracting and give their consent voluntarily.

A contract of employment may be concluded for a specified period. A contract of employment concluded for a specified period may be considered as a contract for a definite period if the work of the employee falls in one of the conditions that are listed under article 10. Employers prefer this contract because of its lower cost of termination or to secure an employee that fits for the job or to meet temporary needs of employees. The definite term employment contract is not the preferred type of employment contract by the employee as it creates job insecurity.

There is no formal requirement in entering into a fixed term employment contract. In addition to this, the proclamation failed to consider the period, to which this kind of employment contract will extend. Labour proclamation No. 377/03 limits a fixed term employment to forty-five days on grounds stated in article 10(1) (h) and (i). But, in all other grounds of fixed term contract, there is no limitation as to the period, to which the contract should extend. To be precise, the proclamation failed to provide when a fixed term employee will be considered as a permanent employee.

Employers give define term employment contract on permanent positions. After certain periods has lapsed the employee demands to be considered as a permanent employee. This is because the employer has denied him some kind of benefits by claiming that such benefits are only entitled to permanent employers or because the employee feel less secured compared to permanent employees.

A fixed term employee will have a guarantee of employment within the agreed period. However, there is no provision under the proclamation that imposed duty on the employer to continue the employment contract until the job, which the contract depends on, is completed

The employer doing is something what the law does not allow him and the employee is uncomfortable by the action of the employer being considered as a fixed term employee makes the employee to feel inferior to permanent employee. Because he has a feeling that the employer may not be willing to the right of definite contract.

Usually the employers onside definite term employment contract inferior to permanent employment contract either because of their unawareness of the law or because of their intention to abuse the employment relation with a view to reduce cost of production.

- we need to have the employer to show equal right of definite worker
- The employer obligation to show the right and benefit to definite worker. Unless provided by law, the employer obligation to give all benefit and right definite worker like permanent worker.
- We need to have a law forces the employer to continue the employment relation when the period for the contract expires
- A definite employee contract worker equal, favorable treatment like permanent employee to give the employer.





# **Introduction**

Employers are the right to choose employment contracts. The employment contract, divided into two, definite and indefinite duration of contract. In most of the case, the employer agreed definite contract. In most of the case, the employer agreed definite contract, because of its simplicity to terminate, a fixed term employment contract is open for abuse. Employers give definite period employment contract and the right of the employee contract without incurring the cost that they might have incurred in the case of permanent employment contract.

In order to address issue about definite term employment contract, the researcher has made an effort to review literatures, to use internet.

Chapter one of this paper deals with the historical development of labour law, the evolution of labour law in Ethiopia, definition of labour law, and the validate requirement of contract of employment.

Chapter two deals with duration of contract of employment means definite and indefinite contract of employment and effect of duration contract.

Chapter three of this paper considers the contract of employment for definite period of time under labour proclamation 377/2003. it is attempted to show analyze the definite term contract duration and the right of definite worker in the proclamation and the disparity bet when the law and the practice

Lastly conclusion and recommendations are made part of this paper.

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