



**ՀԱԼՄՈՍ ՍԶԻԼՎԻԱ**

*Բուդապեշտ-Մետրոպոլիտան վարչական և աշխատանքային դատարանի դատավոր, Եվրոպական իրավունքի խորհրդարանների ցանցի (ELAN) դատավոր անդամ, Pázmány Péter Catholic համալսարանի իրավագիտության և քաղաքագիտության ֆակուլտետի աշխատանքային իրավունքի ամբիոնի հրավիրյալ դասախոս, իրավունքի դոկտոր (Ph.D)*

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**ԱՄԵՆԱՄՅԱ ՎՃԱՐՈՎԻ ԱՐՁԱԿՈՒՐԴԻ ԻՐԱՎՈՒՆՔԻ ԵՎ ՉՕԳՏԱԳՈՐԾՎԱԾ ԱՐՁԱԿՈՒՐԴԻ ՀԱՄԱՐ ՀԱՏՈՒՑՄԱՆ ԱՐԴՅՈՒՆԱՎԵՏ ԻՐԱՑՈՒՄՆ ԸՍՏ ԵՄ ՕՐԵՆՍԴՐՈՒԹՅԱՆ\***

**EFFECTIVE ENFORCEMENT OF RIGHT TO PAID ANNUAL LEAVE AND PAYMENT IN LIEU UNDER EU LAW\***

**ЭФФЕКТИВНАЯ РЕАЛИЗАЦИЯ ПРАВА НА ЕЖЕГОДНЫЙ ОПЛАЧИВАЕМЫЙ ОТПУСК И КОМПЕНСАЦИЯ ЗА НЕИСПОЛЬЗОВАННЫЙ ОТПУСК ПО ЗАКОНОДАТЕЛЬСТВУ ЕС\***

The purpose of this study is to describe the representation of right of workers to paid annual leave in specific sources of international and EU law as well as the relevant case law of the Court of Justice of the European Union (hereinafter: CJEU), with a special focus of the question if limitation for claims for paid annual leave and payment in lieu. Studying the development of legislation and case law in the EU is not only recommended for the Member States of the EU. As it is outlined in this paper, the jurisdiction of the CJEU establishes particularly important views and ideas on the nature of right to paid annual leave, which can serve as a guidance to ensure the possible most effective performing of its social and economic function. In Section 2), the legal nature of right to paid annual leave is analysed. In Section 3), the historical development and the current set of provisions on right to paid annual leave under EU law is described. Section 4) provides an perspective on some relevant rulings of the CJEU related to the limitations for the right to paid annual leave and the payment in lieu. In Section 4), some conclusions are drawn from the analysed case law.

**1) The concept of paid annual leave in labour law**

The right to annual paid leave is not only one of the many employee’s rights, but is included in the bundle of fundamental workers’ rights laid down in a number of sources of international and EU law including the documents of the International Labour Organisation (hereinafter: ILO), the Charter of the Fundamental Rights of the European Union (hereinafter: Charter)<sup>1</sup> and the EU Directive on the organisation of working time (hereinafter: Directive)<sup>2</sup>.

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<sup>1</sup> Charter of Fundamental Rights of the European Union, *OJ C 326*, 26.10.2012, p. 391–407.

<sup>2</sup> Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time, *OJ L 299*, 18.11.2003, p. 9–19 .



Inclusion of the right to paid annual leave in the body of employment law was a landmark step on the path of emancipation of labour law from civil law, and this legal construct is still an emanation of autonomy of labour law in the field of private law. Regarding that the employee is entitled to consideration for a period of non-performance, the construct of paid leave apparently deviates from legal constructs of civil law based on the principle of commodity exchange, and reveals the personal characteristic of employment relationship<sup>1</sup>. However, right to paid leave is designed not only to protect the personal interests of the workers, but also expresses the social function of labour law. It should be acknowledged that ensuring time for longer rest and recreation for workers delivers benefits for the employers as well as for the whole society on a long term basis. Therefore, the concept of paid leave is based on the idea that the financial burden of a durable absence of workers should be imposed to the employers rather than the former. Hence, the annual leave, contrary to the rest breaks, daily rests and weekly rest periods, should be allocated for the working hours. Even though these hours are returned back to the disposal of the employer, it retains the nature of working time inasmuch as it is a paid period. Since the actual enforcement of right to paid annual leave supports the interests of both of the parties of the employment relationship as well as the society, the rules on the conditions of granting of, and the remuneration for the annual leave are key provisions of all national labour laws.

## 2) **Inclusion of right to paid annual leave in labour law, particularly in the EC/EU law**

The restrictions on working schedule like introduction of limit of maximum working time and minimum rest are considered as substantial achievements of labour law. The first historical period in which the reduction of working time took place can be situated from the mid-1800's in Western Europe. In this context, some of the first conventions of the ILO, founded in 1919, addressed precisely these restrictions: the ILO Convention No. 1 (1919) limited the hours of work in industrial undertakings to 8 per day and 48 per week; and the ILO Convention No. 14 (1921) concerned the application of a weekly rest in industrial undertakings. Long-term demands for the reduction of working time, such as annual leaves, were out of the question given the shortage of financial resources of the working class<sup>2</sup>. The time has not come yet for the novel concept of paid leave, which goes beyond the mere reduction of working hours. Introduction of paid leave could be induced by the recognition of the fact that the durable leave of the workers on an annual basis would serve the interests of the employers as well as the well-being of a whole nation, which justifies the transfer of the financial burden of the absences to the employers<sup>3</sup>.

The first country where paid annual leave was introduced was France. As a result of strikes accompanied by workers' sit-downs at French factories, among others, a two-week annual paid holidays was imposed in 1936<sup>4</sup>. However, the 1936 ILO Convention No. 52 adopted much lower standards than the French law concerning annual paid holidays: it provided 6 days of paid leave after one year of continuous service, further, with the number of such holidays increasing by one day to up to twenty days each year, according to the increase of years of service. This convention was later on replaced by the ILO Convention No. 132, which required the State Parties to guarantee three-week paid holidays<sup>5</sup>.

<sup>1</sup> LEHOCZKYNÉ KOLLONAY, Cs (ed.): *A magyar munkajog I.*, Vince, Budapest, 2005, p. 15.

<sup>2</sup> KONSTA, A-M: *Working time law in Japan and the European Union: a comparative approach in the context of legal culture*. Sakkoulas Publications, Athens-Thessaloniki, 2003, p. 58-60.

<sup>3</sup> See: HALMOS, SZ. – PETROVICS, Z.: *Munkajog*. Nemzeti Közigazgatási Egyetem Közigazgatás-tudományi Kar Budapest, 2014, p. 162.

<sup>4</sup> Law of 21 June 1936.

<sup>5</sup> KONSTA op. cit, p. 60.



Debates on the reorganisation of working time existed ever since the beginning of the European integration, in the context of the Article 117 of the Treaty establishing the European Economic Community 1957 (Treaty on the European Economic Community; hereinafter: EEC Treaty) concerning the promotion of harmonisation of the social systems of the Member States<sup>1</sup>. In 1975, the Council of Ministers of the EEC adopted a non-binding recommendation on the principle of the 40-hour week and the principle of four weeks' annual paid leave<sup>2</sup>. Subsequently, a series of further instruments of soft law were introduced with similar subject matters<sup>3</sup>. The first binding document of the Community law concerning the paid leave was the first directive on certain aspects of the organisation of working time (hereinafter: First Directive) as of 1993, which was supposed to be implemented by the Member States by 23 November 1996<sup>4</sup>. Article 7 of the First Directive set out four weeks of annual paid holiday as well as the prohibition of payment in lieu except where the employment relationship is terminated. The workers of specific sectors were excluded from the personal scope of this directive; however, in the subsequent years, sectoral collective agreements of the European social partners and further directives were passed, laying down the minimum requirements on the organisation of working time of these latter groups of workers<sup>5</sup>.

„Directives” as sources of Community law (later on: EU law)<sup>6</sup> require Member States to achieve a particular result without dictating the means of achieving that result<sup>7</sup>. National legislation and practice of each Member State is expected to comply with the requirements of a specific directive by a certain deadline of implementation set out in the directive. According to the consistent practice of the CJEU, directives may not have any so called „horizontal direct effect”, which means that they may not be relied on directly by private individuals or undertakings in lawsuits before national courts<sup>8</sup>.

The United Kingdom, disregarding the deadline of implementation referred by the First Directive, initiated an action for annulment of, primarily the First Directive as a whole, alternatively, specific key articles thereof (among them the Article 7) under Article 173 of the EEC Treaty before the European Court of Justice<sup>9</sup>. The applicant claimed that the Article 118a of the EEC Treaty as legal basis of the adoption of the directive was not properly chosen. This Article conferred power upon the Member States to adopt legal measures by qualified majority voting, *inter alia*, to improve the working

<sup>1</sup> Cf. CARLO, S.: *Temps de travail en Europe, l' action de la Communauté, Heurs et malheurs de l' Europe Sociale*. Futuribles, Mai-Juin 1992, p. 160-170; KONSTA op. cit, p. 61

<sup>2</sup> 75/457/EEC: Recommendation of the Council of 22 July 1975 on the principle of the 40-hour week and the principle of four weeks' annual paid holiday, *OJ L 199, 30.7.1975, p. 32-33*

<sup>3</sup> In detail: KONSTA op. cit, p. 62-63

<sup>4</sup> Council Directive 93/104/EC of 23 November 1993 concerning certain aspects of the organization of working time, *OJ L 307, 13.12.1993, p. 18-24*

<sup>5</sup> In detail: KONSTA op. cit, p. 63-66

<sup>6</sup> The current system of legal sources of EU law defines „directive” with the same terms (Article 288 of the Treaty on the European Union; hereinafter: TEU).

<sup>7</sup> Article 189 of the EEC Treaty.

<sup>8</sup> See e.g. the following cases: C-152/84. M. H. Marshall v Southampton and South-West Hampshire Area Health Authority (Teaching), ECLI:EU:C:1986:84;

C-188/8. A. Foster and others v British Gas plc., ECLI:EU:C:1990:313;

C-91/92. Paola Faccini Dori v Recreb Srl., ECLI:EU:C:1994:292.

<sup>9</sup> The European Court of Justice was the predecessor of the CJEU before the entry into force of the Treaty of Lisbon 2009. Hereinafter, the European Court of Justice will be also referred in this study by the abbreviation of its current denomination as CJEU.



environment, as regards the health and safety of workers. The UK found that the true aim of the First Directive was to create jobs rather than the protection of workers' health and safety, because the connection between, on the one hand, measures on working time, like paid annual leave and rest periods and, on the other hand, the workers' health and safety was too tenuous. The CJEU dismissed the claim of the UK to a large extent<sup>1</sup>, and outlined some significant arguments in its judgement highlighting the proper understanding of the function of regulation on organisation of working time in Community law. As the CJEU stressed: „There is nothing in the wording of Article 118a to indicate that the concepts of 'working environment', 'safety' and 'health' as used in that provision should, in the absence of other indications, be interpreted restrictively, and not as embracing all factors, physical or otherwise, capable of affecting the health and safety of the worker in his working environment, including in particular certain aspects of the organization of working time. On the contrary, the words 'especially in the working environment' militate in favour of a broad interpretation of the powers which Article 118a confers upon the Council for the protection of the health and safety of workers. Moreover, such an interpretation of the words 'safety' and 'health' derives support in particular from the preamble to the Constitution of the World Health Organization [hereinafter: WHO] to which all the Member States belong. Health is there defined as a state of complete physical, mental and social well-being that does not consist only in the absence of illness or infirmity”<sup>2</sup>. The CJEU concluded, derived from certain recitals of the preamble of the First Directive, that its primary purpose is to protect the workers' health and safety. While it could not be excluded that the directive may affect employment, that was clearly not its essential objective<sup>3</sup>.

In 2013, the First Directive was repealed and replaced by the Directive, which, in the Article 7, consistently sets out that the Member States shall grant the entitlement to every worker to a paid annual leave of at least four weeks<sup>4</sup>. Further, the minimum period of paid annual leave may not be replaced by an allowance in lieu, except where the employment relationship is terminated<sup>5</sup>.

The next landmark achievement of development of law in terms of guaranteeing the workers' right to paid annual leave was the adoption of the Charter in 2000. At this time, the Charter was legally not binding. It embraced the catalogue of fundamental rights respected by the common constitutional traditions of the Member States. The Charter became legally binding with the entry into force of the Treaty of Lisbon in 2009. Since then, the Charter shall have the same legal value as the Treaties<sup>6</sup>. As a result, the fundamental rights set out in the Charter shall be respected by the Member States and the institutions of EU when implementing EU law<sup>7</sup>. In terms of paid leave, the Charter stipulates in a brief manner that every worker has the right to limitation of maximum working hours, to daily and weekly rest periods and to an annual period of paid leave<sup>8</sup>.

The above mentioned provisions of the Directive and the Charter concern the right of workers under the currently effective EU law. Nevertheless, as it was also pointed out, the addressees of both the Charter and the Directive are primarily the Member States, in addition, the horizontal direct effect

<sup>1</sup> Case C-84/94. United Kingdom of Great Britain and Northern Ireland v Council of the European Union, ECLI:EU:C:1996:431

<sup>2</sup> *Ibid*, Section 15.

<sup>3</sup> *Ibid*, Section 29-30.

<sup>4</sup> Article 7(1) of the Directive.

<sup>5</sup> Article 7(2) of the Directive.

<sup>6</sup> Article 6 of the TEU.

<sup>7</sup> Article 51(1) of the Charter.

<sup>8</sup> Article 31 (2) of the Charter.



of directives is explicitly excluded. In the next Section, it will be scrutinised, how the CJEU has construed these provisions in order to guarantee the effectiveness of the concerned right.

### 3) **The relevant case law of the CJEU**

The CJEU has emphasized in numerous rulings<sup>1</sup> that the entitlement of every worker to paid annual leave must be regarded as a particularly important principle of Community social law from which there can be no derogations and whose implementation by the competent national authorities must be confined within the limits expressly laid down by the directive itself. The minimum period of paid annual leave shall be granted actually, and may not be replaced by an allowance in lieu, except where the employment relationship is terminated. That prohibition is intended to ensure that a worker is normally entitled to actual rest, with a view to ensuring effective protection of his health and safety<sup>2</sup>. However, upon termination of the employment relationship, the actual taking of paid annual leave to which a worker is entitled is no longer possible. In order to prevent this impossibility from leading to a situation in which the worker loses all enjoyment of that right, even in pecuniary form, Article 7(2) of Directive provides that the worker is entitled to an allowance in lieu for the days of annual leave not taken<sup>3</sup>.

The above cited judgements of the CJEU highlight that (1) claims for granting the paid leave should be clearly distinguished from (2) claims for payment in lieu. Limitations for the two types of the claims are subject to different rules.

- (1) In terms of the timeframes of enforceability of payment in lieu, the CJEU held in certain rulings that Article 7(2) of the Directive must be interpreted as precluding national legislation or practices which provide that, on termination of the employment relationship, no allowance in lieu of paid annual leave not taken is to be paid to a worker who has been on sick leave for the whole or part of the leave year and/or of a carry-over period, which was the reason why he could not exercise his right to paid annual leave<sup>4</sup>. The CJEU held that Article 7(2) lays down no condition for entitlement to an allowance in lieu other than that relating to the circumstance, first, that the employment relationship has ended and, second, that the worker has not taken all

<sup>1</sup> The rulings of the CJEU described in this Section have been delivered in the framework of so called preliminary ruling procedures. In preliminary ruling procedures, any national court or tribunal seated in a Member State of the EU may refer questions to the CJEU related to a case to be decided by this court or tribunal. These questions can concern questions related to the underlying case on the validity or interpretation of EU law. The questions are answered in a judgement of the CJEU, which is binding for the referring national court and all other courts of the Member States. The CJEU does not decide the underlying national case, it only answers the questions related to EU law. (Source: Article 267 of the Treaty on the Functioning of the European Union; Recommendations to national courts and tribunals, in relation to the initiation of preliminary ruling proceedings; OJ C 439, 25.11.2016, p. 1–8).

<sup>2</sup> Joined cases C-131/04. C. D. Robinson-Steele v R. D. Retail Services Ltd and C-257/04. Michael Jason Clarke v Frank Staddon Ltd and J. C. Caulfield and Others v Hanson Clay Products Ltd, ECLI:EU:C:2006:177; C-173/99. The Queen kontra Secretary of State for Trade and Industry, ex parte Broadcasting, Entertainment, Cinematographic and Theatre Union (BECTU), ECLI:EU:C:2001:356

<sup>3</sup> E.g. Joined cases C-350/06. Gerhard Schultz-Hoff v Deutsche Rentenversicherung Bund and C-520/06. Stringer and others v. Her Majesty's Revenue and Customs, ECLI:EU:C:2008:38 („Schultz-Hoff-case”); C-337/10. Georg Neidel v Stadt Frankfurt am Main, ECLI:EU:C:2012:263 („Neidel-case”); C-118/13. Gülay Bollacke v K + K Klaas & Kock BV & Co. KG, ECLI:EU:C:2014:1755 („Bollacke-case”); C-684/16. Max-Planck-Gesellschaft zur Förderung der Wissenschaften eV v Tetsuji Shimizu, ECLI:EU:C:2018:874 („Shimizu-case”)

<sup>4</sup> Schultz-Hoff-case op. cit; Neidel-case op. cit



the annual leave to which he was entitled on the date that that relationship ended. In that regard, it is apparent that that provision precludes national legislation or practices which provide that, upon termination of the employment relationship, no allowance in lieu of paid annual leave not taken is to be paid to a worker who has not been able to take all the annual leave to which he was entitled before the end of that employment relationship, in particular because he was on sick leave for all or part of the leave year and/or of a carry-over period<sup>1</sup>.

- (2) Regarding the limitations for claims for actual granting of paid leave, the CJEU considered the compliance of national legislation on possibility of carrying over the right to leave beyond the reference year with the Article 7(1) of the Directive. In the *KHS*-judgement<sup>2</sup>, the CJEU pointed out that, with regard to the carry-over period beyond which the right to paid annual leave may lapse where entitlements to paid annual leave are accumulated during a period of unfitness for work, it is necessary to assess, whether a period for carrying over entitlement to paid annual leave under national provisions or practices, may reasonably be described as a period beyond which paid annual leave ceases to have its positive effect for the worker as a rest period. In that context, the CJEU reminded that the right to paid annual leave is, as a principle of European Union social law, not only particularly important, but is also expressly laid down in Article 31(2) of the Charter, which is recognised as having the same legal value as the founding Treaties of the EU<sup>3</sup>. It follows that, in order to uphold that right, the objective of which is the protection of workers, any carry-over period must take into account the specific circumstances of a worker who is unfit for work for several consecutive reference periods. Thus, the carry-over period must *inter alia* ensure that the worker can have, if need be, rest periods that may be staggered, planned in advance and available in the longer term. Any carry-over period must be substantially longer than the reference period in respect of which it is granted. The CJEU also referred that, under Article 9(1) of Convention No 132 of the ILO concerning Annual Holidays with Pay (revised), the uninterrupted part of the annual holiday with pay must be granted and taken no later than one year, and the remainder of the annual holiday with pay no later than 18 months, from the end of the year in respect of which the holiday entitlement has arisen. That rule may be construed as being based on the consideration that when the periods for which it provides expire the purpose of the leave entitlement may no longer be fully achieved<sup>4</sup>.

There was a case where the CJEU concluded that the reference period determined by national law was too short according to the above described considerations<sup>5</sup>, while in another case the CJEU ruled that national provisions defining a carry-over period of 15 months on the expiry of which the right to paid annual leave lapses, are in compliance with EU law<sup>6</sup>.

As a consequence, we can conclude that the CJEU does not unconditionally preclude that Member States can limit the carry over periods beyond the reference period of the leave, however, the limitations for the claims for the paid annual leave can be determined under fairly restricted circumstances.

In the case *King*, the CJEU further refined the conditions of limiting the enforceability of right to paid leave<sup>7</sup>. In the underlying lawsuit, Mr. King as the claimant worked in the framework of a

<sup>1</sup> Schultz-Hoff-case op. cit; Shimizu-case op.cit;

C-341/15. Hans Maschek kontra Magistratsdirektion der Stadt Wien, ECLI:EU:C:2016:576

<sup>2</sup> C-214/10. KHS AG kontra Winfried Schulte, ECLI:EU:C:2011:761 („KHS-case”)

<sup>3</sup> Article 6(1) of the TEU.

<sup>4</sup> KHS-case op. cit

<sup>5</sup> Neidel-case op. cit

<sup>6</sup> KHS-case op. cit

<sup>7</sup> C-214/16. C. King v The Sash Window Workshop Ltd és Richard Dollar, ECLI:EU:C:2017:914



specific type of employment relationships covered by the Directive from 1 June 1999 to 6 October 2012. During his employment, he was never granted paid leave, he could be absent only without payment. Upon termination of his employment, he claimed the payment for his leaves for the entire duration of his employment. The national court referred the case before the CJEU for requesting preliminary ruling in terms of the proper interpretation of the relevant provisions of EU law. The CJEU recalled the above cited provisions of the ILO Convention No. 132 as part of the legal background of the case, which, according to the recital 6 of the Directive, should be given accent with regard to the organisation of working time. The CJEU referred that this case, in a sense, differs from the previously described ones, in which the employer could not grant the paid annual leave on any grounds related to the individual employee, such as his/her sickness. The assessment of the right of a worker, such as Mr King, to paid annual leave is not connected to a situation in which his employer was faced with periods of his absence which, as with long-term sickness absence, would have led to difficulties in the organisation of work. On the contrary, the employer was able to benefit, until Mr King retired, from the fact that he did not interrupt his professional activity in its service in order to take paid annual leave. It follows from the above that, unlike in a situation of accumulation of entitlement to paid annual leave by a worker who was unfit for work due to sickness, an employer that does not allow a worker to exercise his right to paid annual leave must bear the consequences. Consequently, Article 7 of Directive must be interpreted as precluding national provisions or practices that prevent a worker from carrying over and, where appropriate, accumulating, until termination of his employment relationship, paid annual leave rights not exercised in respect of several consecutive reference periods because his employer refused to remunerate that leave.

In the most recent judgements, the CJEU has put an increasing emphasis on the appropriate interpretation of the Article 31(2) of the Charter<sup>1</sup>. It follows, from the wording of Article 31(2) of the Charter that that provision enshrines the ‘right’ of all workers to an ‘annual period of paid leave’. By providing, in mandatory terms, that ‘every worker’ has ‘the right’ ‘to an annual period of paid leave’, Article 31(2) of the Charter reflects the essential principle of EU social law from which there may be derogations only in compliance with the strict conditions laid down in Article 52(1) of the Charter and, in particular, the fundamental right to paid annual leave. The right to a period of paid annual leave, affirmed for every worker by Article 31(2) of the Charter, is thus, as regards its very existence, both mandatory and unconditional in nature, the unconditional nature not needing to be given concrete expression by the provisions of EU or national law, which are only required to specify the exact duration of annual leave and, where appropriate, certain conditions for the exercise of that right. It follows that that provision is sufficient in itself to confer on workers a right that they may actually rely on in disputes between them and their employer in a field covered by EU law and therefore falling within the scope of the Charter. Article 31(2) of the Charter therefore entails, in particular, as regards the situations falling within the scope thereof, that the national court must disapply national legislation contrary to the requirements of this Article. Thus, the CJEU took the position that, unlike the provisions of the Directive, the Article 31(2) of the Charter has a horizontal direct effect.

#### 4) **Conclusions**

The CJEU has crystallized a number of points to consider in terms of the legal nature of paid annual leave and payment in lieu as well as the time limits of enforceability of these rights. Courts of Member States of the EU are obliged to interpret the national law in compliance with these guidelines

<sup>1</sup> Joined cases C-569/16. Stadt Wuppertal v Maria Elisabeth Bauer and C-570/16. Volker Willmeroth v Martina Broßonn, ECLI:EU:C:2018:871; Shimizu-case op. cit

as far as possible, in addition, the courts are expected to disregard the effective national law, which is contrary to EU law<sup>1</sup>.

Application of domestic provisions of certain countries may rise the question to what extent and under which conditions the not yet granted paid leaves can be accumulated, and when does the right to paid leave lapse. In the relevant cases, the CJEU highlighted in several times that the right to paid annual leave is an essential construct of EU social and labour law, which can be subject to very narrow restrictions, in the light of the purpose of this right. It is apparent from particularly the *King*-judgement that the employer is expected to face the consequences of denial of the paid leave. The CJEU established the national provisions or practice to be inappropriate, which would allow the employer to take double benefit by preventing the employee to take his/her leave for a durable period and by lapse of his/her right thereto.

Studying of the CJEU practice may be helpful in these questions not only for the courts of Member States. It is to be noted that the judgements of the CJEU often rely on sources of international law (e.g. the conventions of the ILO) and other documents of global relevance (e.g. those of the WHO), which are to be observed as important benchmarks for legislation and practice for a much broader scope of countries than the EU Member States. Further, the principles of application related to the right to paid annual leave established by the CJEU may contribute for the judges and legal practitioners of Non-Member States to develop a manner of interpretation which supports the effective enforceability of right to paid leave so that it can perform its actual social and economic function.

**Ամփոփագիր**<sup>1</sup> Ամենամյա վճարովի արձակուրդի իրավունքն աշխատողների հիմնարար իրավունքներից մեկն է, որը պաշտպանված է միջազգային իրավունքի մի շարք աղբյուրներով, այդ թվում՝ ԵՄ օրենսդրությամբ: Հոդվածում քննարկվել են այդ իրավունքի պատմական ծագումը, իրավաբանական բնույթը, ինչպես նաև Եվրոպական Միության օրենսդրությամբ չօգտագործված ամենամյա վճարովի արձակուրդի համար փոխհատուցման կարգավորումները: Անդրադարձ է կատարվել նաև ԵՄ օրենսդրության կատարելագործման հիմնական ուղղություններին:

**Аннотация:** Право на ежегодный оплачиваемый отпуск является одним из основных прав трудящихся, который охраняется рядом источников международного права, в том числе, законодательством Европейского Союза. В данной статье рассматриваются вопросы исторического происхождения и юридической сущности этого права. Обсуждаются также основные направления усовершенствования соответствующего законодательства ЕС.

**Հիմնարարներ**<sup>1</sup> աշխատողների հիմնարար իրավունքներ, ամենամյա վճարովի արձակուրդ, չօգտագործված ամենամյա վճարովի արձակուրդի համար փոխհատուցում, աշխատողների առողջություն և անվտանգություն, աշխատանքային հարաբերությունների անձնական բնույթ:

**Key words:** fundamental workers' rights, paid annual leave, allowance in lieu of paid annual leave, health and safety of employees, personal character of employment relationship.

**Ключевые слова:** основные права работников, ежегодный оплачиваемый отпуск, компенсация за неиспользованный ежегодный оплачиваемый отпуск, здоровье и безопасность работников, личный характер трудовых отношений.

<sup>1</sup> See: C-441/14. Dansk Industri (DI), agissant pour Ajos A/S v Sucession Karsten Eigil Rasmussen, ECLI:EU:C:2016:278.