



# AVAT12015 Aviation Economics

## Term 2 - 2023

Profile information current as at 05/10/2023 09:08 am

All details in this unit profile for AVAT12015 have been officially approved by CQUniversity and represent a learning partnership between the University and you (our student). The information will not be changed unless absolutely necessary and any change will be clearly indicated by an approved correction included in the profile.

## General Information

### Overview

Aviation Economics will provide a broad perspective of how economic theories and financial concepts relate and apply to the air transport industry. You will develop a critical awareness of the economic principles and theories that underpin air transport management and the concepts of demand and supply, elasticity, and regulation and deregulation as they apply to airlines and airports. In this unit, you will examine the inter-related nature of air transport and other sectors of an economy, and the interactions of air transport with broader socio-economic, tourism and environmental issues.

### Details

Career Level: *Undergraduate*

Unit Level: *Level 2*

Credit Points: 6

Student Contribution Band: 8

Fraction of Full-Time Student Load: 0.125

### Pre-requisites or Co-requisites

Pre-requisites: AVAT11013 Introduction to Aviation or AVAT11002 Basic Aeronautical Knowledge and AVAT11008 Introduction to Aviation Management and ECON11026 Principles of Economics.

Important note: Students enrolled in a subsequent unit who failed their pre-requisite unit, should drop the subsequent unit before the census date or within 10 working days of Fail grade notification. Students who do not drop the unit in this timeframe cannot later drop the unit without academic and financial liability. See details in the [Assessment Policy and Procedure \(Higher Education Coursework\)](#).

### Offerings For Term 2 - 2023

- Cairns
- Online

### Attendance Requirements

All on-campus students are expected to attend scheduled classes – in some units, these classes are identified as a mandatory (pass/fail) component and attendance is compulsory. International students, on a student visa, must maintain a full time study load and meet both attendance and academic progress requirements in each study period (satisfactory attendance for International students is defined as maintaining at least an 80% attendance record).

### Website

[This unit has a website, within the Moodle system, which is available two weeks before the start of term. It is important that you visit your Moodle site throughout the term. Please visit Moodle for more information.](#)

## Class and Assessment Overview

### Recommended Student Time Commitment

Each 6-credit Undergraduate unit at CQUniversity requires an overall time commitment of an average of 12.5 hours of study per week, making a total of 150 hours for the unit.

### Class Timetable

#### [Regional Campuses](#)

Bundaberg, Cairns, Emerald, Gladstone, Mackay, Rockhampton, Townsville

#### [Metropolitan Campuses](#)

Adelaide, Brisbane, Melbourne, Perth, Sydney

### Assessment Overview

#### 1. **Online Quiz(zes)**

Weighting: 30%

#### 2. **Essay**

Weighting: 30%

#### 3. **Group Work**

Weighting: 40%

### Assessment Grading

This is a graded unit: your overall grade will be calculated from the marks or grades for each assessment task, based on the relative weightings shown in the table above. You must obtain an overall mark for the unit of at least 50%, or an overall grade of 'pass' in order to pass the unit. If any 'pass/fail' tasks are shown in the table above they must also be completed successfully ('pass' grade). You must also meet any minimum mark requirements specified for a particular assessment task, as detailed in the 'assessment task' section (note that in some instances, the minimum mark for a task may be greater than 50%). Consult the [University's Grades and Results Policy](#) for more details of interim results and final grades.

## CQUniversity Policies

**All University policies are available on the [CQUniversity Policy site](#).**

You may wish to view these policies:

- Grades and Results Policy
- Assessment Policy and Procedure (Higher Education Coursework)
- Review of Grade Procedure
- Student Academic Integrity Policy and Procedure
- Monitoring Academic Progress (MAP) Policy and Procedure – Domestic Students
- Monitoring Academic Progress (MAP) Policy and Procedure – International Students
- Student Refund and Credit Balance Policy and Procedure
- Student Feedback – Compliments and Complaints Policy and Procedure
- Information and Communications Technology Acceptable Use Policy and Procedure

This list is not an exhaustive list of all University policies. The full list of University policies are available on the [CQUniversity Policy site](#).

## Unit Learning Outcomes

**On successful completion of this unit, you will be able to:**

1. Apply key microeconomic principles to the aviation industry context
2. Identify the drivers of the evolution of the aviation industry and the factors influencing the supply of and demand for aviation services
3. Discuss the key economic issues relating to the provision, ownership, and regulation of aviation infrastructure
4. Analyse key globalisation trends in the aviation industry including the impact of Open Sky policies and Global Alliances
5. Identify the characteristics of the different market structures within which aviation organisations function and discuss their impact
6. Effectively communicate the results of economic analysis to an audience of stakeholders regarding a potential project or decision.

N/A

## Alignment of Learning Outcomes, Assessment and Graduate Attributes



### Alignment of Assessment Tasks to Learning Outcomes

| Assessment Tasks           | Learning Outcomes |   |   |   |   |   |
|----------------------------|-------------------|---|---|---|---|---|
|                            | 1                 | 2 | 3 | 4 | 5 | 6 |
| 1 - Online Quiz(zes) - 30% | •                 | • |   |   | • |   |
| 2 - Essay - 30%            |                   | • | • | • | • | • |
| 3 - Group Work - 40%       | •                 |   | • | • |   | • |

### Alignment of Graduate Attributes to Learning Outcomes

| Graduate Attributes                                 | Learning Outcomes |   |   |   |   |   |
|---|-------------------|---|---|---|---|---|
|   | 1                 | 2 | 3 | 4 | 5 | 6 |
| 1 - Communication                                   |                   | • | • | • | • | • |
| 2 - Problem Solving                                 | •                 |   |   |   |   | • |
| 3 - Critical Thinking                               |                   | • | • | • | • | • |
| 4 - Information Literacy                            |                   |   |   | • |   | • |
| 5 - Team Work                                       |                   |   | • | • |   |   |
| 6 - Information Technology Competence               |                   | • | • |   |   |   |
| 7 - Cross Cultural Competence                       |                   |   | • |   |   | • |
| 8 - Ethical practice                                |                   |   |   |   |   |   |
| 9 - Social Innovation                               |                   |   | • | • | • |   |
| 10 - Aboriginal and Torres Strait Islander Cultures |                   |   |   |   |   |   |

## Textbooks and Resources

### Textbooks

**There are no required textbooks.**

### IT Resources

**You will need access to the following IT resources:**

- CQUniversity Student Email
- Internet
- Unit Website (Moodle)
- Computer - ability to access study materials, including instructional videos and scan and upload assessment.
- Computer - ability to access study materials, access Zoom application for meetings and view instructional videos.

## Referencing Style

All submissions for this unit must use the referencing style: [American Psychological Association 7th Edition \(APA 7th edition\)](#)

For further information, see the Assessment Tasks.

## Teaching Contacts

**William Harvey** Unit Coordinator  
[w.harvey@cqu.edu.au](mailto:w.harvey@cqu.edu.au)

## Schedule

### Week 1 - 10 Jul 2023

| Module/Topic                                       | Chapter  | Events and Submissions/Topic    |
|--|--|---------------------------------|
| Course Introduction and Overview, Airline Industry | Vasigh, B., Fleming, K., & Tacker, T. (2018). Introduction to Air Transport Economics: From Theory to Applications (3rd ed.). Routledge. Chapter 1 | Lecture and Tutorial discussion |

### Week 2 - 17 Jul 2023

| Module/Topic                   | Chapter  | Events and Submissions/Topic                                    |
|--------------------------------|--|---|
| Basic Economics and Government | Vasigh, B., Fleming, K., & Tacker, T. (2018), Chapter 2. | Lecture and Tutorial<br>Assignment/Exercises/quizzes discussion |

### Week 3 - 24 Jul 2023

| Module/Topic                              | Chapter  | Events and Submissions/Topic |
|---|--|------------------------------|
| Supply and Demand in the Airline Industry | Vasigh, B., Fleming, K., & Tacker, T. (2018), Chapter 3. | Lecture and Tutorial         |

### Week 4 - 31 Jul 2023

| Module/Topic   | Chapter  | Events and Submissions/Topic |
|--|--|------------------------------|
| Cost and Production Analysis in the Airline Industry | Vasigh, B., Fleming, K., & Tacker, T. (2018), Chapter 4. | Lecture and Tutorial         |

### Week 5 - 07 Aug 2023

| Module/Topic | Chapter | Events and Submissions/Topic |
|--------------|---------|------------------------------|
|--------------|---------|------------------------------|

|   |   |                      |
|---|---|----------------------|
| Dynamic pricing Policy and Revenue Management | Vasigh, B., Fleming, K., & Tacker, T. (2018), Chapter 11. | Lecture and Tutorial |
|---|---|----------------------|

**Vacation Week - 14 Aug 2023**

| Module/Topic | Chapter | Events and Submissions/Topic |
|--------------|---------|------------------------------|
|              |         | Lecture and Tutorial         |

**Week 6 - 21 Aug 2023**

| Module/Topic                            | Chapter     | Events and Submissions/Topic                |
|---|-------------|---|
| Application Week – Revision discussions | Weeks 1 - 5 | Online Quiz<br>Group tutorial exercises due |

**Week 7 - 28 Aug 2023**

| Module/Topic                               | Chapter   | Events and Submissions/Topic |
|--|---|------------------------------|
| Market Structure and the Aviation Industry | Vasigh, B., Fleming, K., & Tacker, T. (2018), Chapters 8 & 9. | Lecture and Tutorial         |

**Week 8 - 04 Sep 2023**

| Module/Topic             | Chapter   | Events and Submissions/Topic |
|--------------------------|---|------------------------------|
| Low Cost Carriers (LCCs) | Vasigh, B., Fleming, K., & Tacker, T. (2018), Chapter 12. | Lecture and Tutorial         |

**Week 9 - 11 Sep 2023**

| Module/Topic                         | Chapter  | Events and Submissions/Topic |
|--------------------------------------|--|------------------------------|
| International Economics and Aviation | Vasigh, B., Fleming, K., & Tacker, T. (2018), Chapter 6. | Lecture and Tutorial         |

**Week 10 - 18 Sep 2023**

| Module/Topic                                 | Chapter   | Events and Submissions/Topic |
|--|---|------------------------------|
| Aviation Forecasting and Regression Analysis | Vasigh, B., Fleming, K., & Tacker, T. (2018), Chapter 10. | Lecture and Tutorial         |

**Week 11 - 25 Sep 2023**

| Module/Topic  | Chapter    | Events and Submissions/Topic  |
|---------------|------------|---|
| Course Review | Weeks 1-10 | Online Quiz<br>Group tutorial exercises due<br><br><b>Group tutorial exercises</b> Due: Week 11 Monday (25 Sept 2023) 11:45 pm AEST |

**Week 12 - 02 Oct 2023**

| Module/Topic     | Chapter    | Events and Submissions/Topic   |
|------------------|------------|--|
| Application Week | Weeks 1-10 | Group Assignment Presentations<br><br><b>Group Assignment</b> Due: Week 12 Monday (2 Oct 2023) 11:45 pm AEST |

**Review Week - 09 Oct 2023**

| Module/Topic | Chapter | Events and Submissions/Topic |
|--------------|---------|------------------------------|
| NA           |         |                              |

**- - 16 Oct 2023**

| Module/Topic  | Chapter | Events and Submissions/Topic |
|---|---------|------------------------------|
| Note: Course schedule and assessments subject to change due to student enrolment numbers. |         |                              |

## Term Specific Information

Unit Coordinator  
Dr Wen-Chun Tseng  
(Email:) w.tseng@cqu.edu.au  
Lecturer  
Dr William Harvey  
(Email) w.harvey@cqu.edu.au

## Assessment Tasks

### 1 Online Quiz

**Assessment Type**

Online Quiz(zes)

**Task Description**

Online quizzes will be conducted in Week 6 covering all the theory content of Weeks 1-5, and in Week 11 covering all the theory of Weeks 6-10.

Covers Learning Outcomes 1,2,5

**Number of Quizzes**

2

**Frequency of Quizzes**

Other

**Assessment Due Date**

Quiz 1 due in week 6 and Quiz 2 due in week 11

**Return Date to Students**

Online quizzes will be graded automatically

**Weighting**

30%

**Assessment Criteria**

This is a graded assessment: You must obtain an overall mark of at least 50% in each online quiz to pass the assessment item.

**Referencing Style**

- [American Psychological Association 7th Edition \(APA 7th edition\)](#)

**Submission**

Online

**Submission Instructions**

To be completed on the day of assessment within the allotted timeframe.

**Learning Outcomes Assessed**

- Apply key microeconomic principles to the aviation industry context
- Identify the drivers of the evolution of the aviation industry and the factors influencing the supply of and demand for aviation services
- Identify the characteristics of the different market structures within which aviation organisations function and discuss their impact

### 2 Group tutorial exercises

**Assessment Type**

Essay

**Task Description**

Students are to work on the weekly tutorial exercises in groups each week and submit in Week 11 via Moodle.

**Assessment Due Date**

Week 11 Monday (25 Sept 2023) 11:45 pm AEST

**Return Date to Students**

Week 11 Monday (25 Sept 2023)

**Weighting**

30%

**Assessment Criteria**

This is a graded assessment: You must obtain an overall mark of at least 50% in each online quiz to pass the assessment item.

Covers Learning Outcomes 1,3,4,6.

**Referencing Style**

- [American Psychological Association 7th Edition \(APA 7th edition\)](#)

**Submission**

Online Group

**Learning Outcomes Assessed**

- Identify the drivers of the evolution of the aviation industry and the factors influencing the supply of and demand for aviation services
- Discuss the key economic issues relating to the provision, ownership, and regulation of aviation infrastructure
- Analyse key globalisation trends in the aviation industry including the impact of Open Sky policies and Global Alliances
- Identify the characteristics of the different market structures within which aviation organisations function and discuss their impact
- Effectively communicate the results of economic analysis to an audience of stakeholders regarding a potential project or decision.

### 3 Group Assignment

**Assessment Type**

Group Work

**Task Description**

Students are to complete a written research assignment on a topic as given in Week 2.

Covers Learning Outcomes 2,3,4,5,6.

**Assessment Due Date**

Week 12 Monday (2 Oct 2023) 11:45 pm AEST

**Return Date to Students****Weighting**

40%

**Assessment Criteria**

This is a graded assessment: You must obtain an overall mark of at least 50% in each online quiz to pass the assessment item.

**Referencing Style**

- [American Psychological Association 7th Edition \(APA 7th edition\)](#)

**Submission**

Group

**Learning Outcomes Assessed**

- Apply key microeconomic principles to the aviation industry context
- Discuss the key economic issues relating to the provision, ownership, and regulation of aviation infrastructure
- Analyse key globalisation trends in the aviation industry including the impact of Open Sky policies and Global Alliances
- Effectively communicate the results of economic analysis to an audience of stakeholders regarding a potential project or decision.



## Academic Integrity Statement

As a CQUniversity student you are expected to act honestly in all aspects of your academic work.

Any assessable work undertaken or submitted for review or assessment must be your own work. Assessable work is any type of work you do to meet the assessment requirements in the unit, including draft work submitted for review and feedback and final work to be assessed.

When you use the ideas, words or data of others in your assessment, you must thoroughly and clearly acknowledge the source of this information by using the correct referencing style for your unit. Using others' work without proper acknowledgement may be considered a form of intellectual dishonesty.

Participating honestly, respectfully, responsibly, and fairly in your university study ensures the CQUniversity qualification you earn will be valued as a true indication of your individual academic achievement and will continue to receive the respect and recognition it deserves.

As a student, you are responsible for reading and following CQUniversity's policies, including the [Student Academic Integrity Policy and Procedure](#). This policy sets out CQUniversity's expectations of you to act with integrity, examples of academic integrity breaches to avoid, the processes used to address alleged breaches of academic integrity, and potential penalties.

### What is a breach of academic integrity?

A breach of academic integrity includes but is not limited to plagiarism, self-plagiarism, collusion, cheating, contract cheating, and academic misconduct. The Student Academic Integrity Policy and Procedure defines what these terms mean and gives examples.

### Why is academic integrity important?

A breach of academic integrity may result in one or more penalties, including suspension or even expulsion from the University. It can also have negative implications for student visas and future enrolment at CQUniversity or elsewhere. Students who engage in contract cheating also risk being blackmailed by contract cheating services.

### Where can I get assistance?

For academic advice and guidance, the [Academic Learning Centre \(ALC\)](#) can support you in becoming confident in completing assessments with integrity and of high standard.

### What can you do to act with integrity?



#### Be Honest

If your assessment task is done by someone else, it would be dishonest of you to claim it as your own



#### Seek Help

If you are not sure about how to cite or reference in essays, reports etc, then seek help from your lecturer, the library or the Academic Learning Centre (ALC)



#### Produce Original Work

Originality comes from your ability to read widely, think critically, and apply your gained knowledge to address a question or problem