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QUESTION: Ron, What is the President's reaction to the resignation of the union leaders from the Pay Advisory Council? Was President Ford personally involved? What happens next?

ANSWER: The President hopes that the union leaders will eventually reconsider.

Obviously, he wants to hear from all sides when he is deciding controversial matters such as public employees pay.

However, the President has to consider the taxpayers' interests as well as the unions'.

As to involvement, the President really hasn't been involved yet. What was released yesterday was the decision of the President's Pay Agents - who are the heads of the Civil Service Commission and the OMB. The Union leaders will now have a chance to write their views on the agents' decision. Then the two reports will go to the President for his decision.

He will also receive simultaneously a report from the "Advisory Committee on Federal Pay" which is a body established by law to advise the President on disputes of this kind. It consists of three distinguished non-governmental experts in labor relations and pay policy. The Chairman is Jerome Rosow,

LIVINGSTON AND ROBERT MCKERSIE. THE OTHER MEMBERS ARE FRED

The process, in other words, provides a fair and orderly way for all views to be put before the President for a decision.

He will reach that decision sometime before October 1, which is the date the law provides for the annual pay adjustment to take effect.

QUESTION: What increase does the pay agent's decision provide? What will it cost?

ANSWER: 5.17%. It will cost about \$2.5 billion. Approximately that amount was forecast and is provided in the President's budget - and in the Congressional budget ceiling.

QUESTION: How many people are involved?

ANSWER: About 1.4 million civilians and 2.1 million military people. It does not cover the blue collar or postal employees, whose pay is set by different systems.