# Rubio’s Coastal Grill Shuts Down 48 Stores Due to Rising Costs Amid Minimum Wage Increase



Rubio’s Coastal Grill, a fast-casual Mexican restaurant headquartered in Carlsbad, California, abruptly shut down 48 stores statewide on Friday, citing escalating business costs as the primary reason. The closures, which surprised many employees, occurred shortly after California's $20 per hour minimum wage for fast-food employees was enacted.

Rubio’s will continue operations at its remaining 86 locations across California, Arizona, and Nevada. The company, founded in 1983 by Ralph Rubio, rose to popularity with nearly 200 stores by 2020 but faced significant challenges during the COVID-19 pandemic, eventually filing for bankruptcy protection.

A statement released by media strategist firm Sitrick and Co. indicated that the decision to close these locations followed a thorough review of operations and the current business environment. The statement also mentioned that the closures are a part of Rubio’s long-term strategy for ensuring future success. There were, however, no specifics disclosed about the number of employees affected, many of whom reported receiving abrupt notices of job termination over the weekend. Prior to its rebranding efforts, the chain was known as “Home of the Fish Taco,” “Rubio’s Baja Grill,” and “Rubio’s Fresh Mexican Grill.”

In another development involving labor concerns in California, the academic workers' union at the University of California (U.C.) has announced plans to expand their strike, which began on May 20 at U.C. Santa Cruz, to three more campuses. The strike is intended to protest unsafe work conditions, free speech violations, and the university’s response to Israel-Hamas war demonstrations. This expansion is set to disrupt operations at U.C. San Diego, U.C. Santa Barbara, and U.C. Irvine, potentially impacting final exams for over 169,000 undergraduate students across six campuses.

The U.C. Office of the President has described the strike as unlawful, arguing that it is not directly related to labor conditions and is politically motivated. They have attempted to seek an injunction against the strike, but the request was denied. The board has since issued a complaint against the union, citing a failure to provide adequate notice and to negotiate in good faith.